

EOG Resources, Inc.
P.O. 1910
Vernal, UT 84078

August 10, 2005

Utah Division of Oil, Gas, & Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

**RE: APPLICATION FOR PERMIT TO DRILL
CHAPITA WELLS UNIT 989-15
SE/NW, SEC. 15, T9S, R22E
UINTAH COUNTY, UTAH
LEASE NO.: U-0283-A
FEDERAL LANDS**

Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Phone: (435)789-4120
Fax: (435)789-1420

Sincerely



Ed Trotter
Agent
EOG Resources, Inc.

Attachments

CWU 989-15 B

RECEIVED
AUG 16 2005
DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

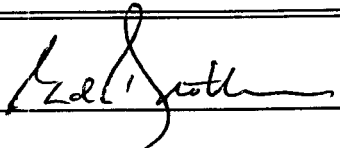
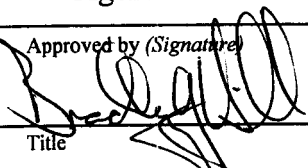
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. U-0283-A
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES, INC.		7. If Unit or CA Agreement, Name and No. CHAPITA WELLS UNIT
3a. Address P.O. BOX 1815 VERNAL, UT 84078		8. Lease Name and Well No. CHAPITA WELLS UNIT 989-15
3b. Phone No. (Include area code) (435)789-0790		9. API Well No. 13047-36976
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 2037' FNL, 1659' FWL 634043X 40.037727 SE/NW At proposed prod. Zone 4432917Y -109.428875		10. Field and Pool, or Exploratory NATURAL BUTTES
11. Sec., T., R., M., or Blk. and Survey or Area SEC. 15, T9S, R22E, S.L.B.&M.		12. County or Parish UINTAH
13. State UTAH		14. Distance in miles and direction from nearest town or post office* 16.03 MILES SOUTHEAST OF OURAY, UTAH
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. Unit line, if any) 1659'	16. No. of Acres in lease 1360	17. Spacing Unit dedicated to this well
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. See Topo Map C	19. Proposed Depth 9700'	20. BLM/BIA Bond No. on file NM-2308
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4813.4 FEET GRADED GROUND	22. Approximate date work will start* UPON APPROVAL	23. Estimated duration 45 DAYS
24. Attachments		

Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature 	Name (Printed/Typed) Ed Trotter	Date August 10, 2005
Title Agent		
Approved by (Signature) 	Name (Printed/Typed) BRADLEY G. HILL	Date 08-17-05
Title ENVIRONMENTAL SCIENTIST III	Office RECEIVED	AUG 16 2005

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of Approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

T9S, R22E, S.L.B.&M.

EOG RESOURCES, INC.

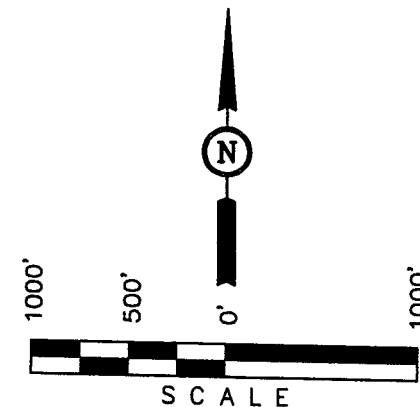
Well location, CWU #989-15, located as shown in the SE 1/4 NW 1/4 of Section 15, T9S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



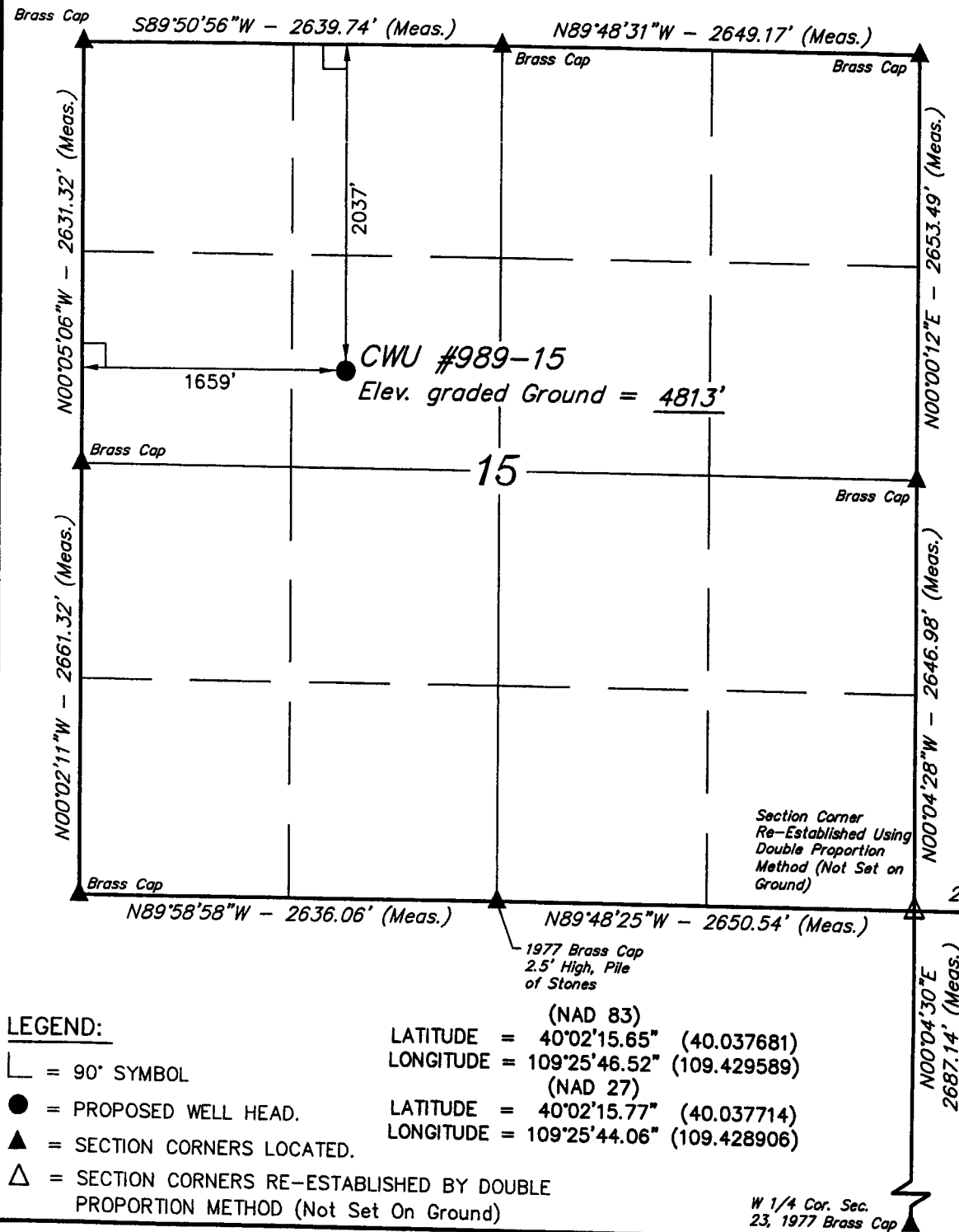
CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

[Signature]
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 5-06-05	DATE DRAWN: 5-11-05
PARTY D.L. T.C. L.K.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE EOG RESOURCES, INC.	



LEGEND:

- └─ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.
- △ = SECTION CORNERS RE-ESTABLISHED BY DOUBLE PROPORTION METHOD (Not Set On Ground)

(NAD 83)
LATITUDE = 40°02'15.65" (40.037681)
LONGITUDE = 109°25'46.52" (109.429589)

(NAD 27)
LATITUDE = 40°02'15.77" (40.037714)
LONGITUDE = 109°25'44.06" (109.428906)

EIGHT POINT PLAN
CHAPITA WELLS UNIT 989-15
SE/NW, SEC. 15, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	DEPTH (KB)
Green River FM	1,811'
Wasatch	4,851'
North Horn	6,740'
Island	7,241'
KMV Price River	7,548'
KMV Price River Middle	8,223'
KMV Price River Lower	9,030'
Sego	9,507'

Estimated TD: 9,700' or 200'± below Sego top

Anticipated BHP: 5,295 Psig

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>LENGTH</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>RATING FACTOR</u>		
							<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSILE</u>
12-1/4"	0' – 2,300'KB±	2,300'±	9-5/8"	36.0#	J-55	ST&C	2020 Psi	3520 Psi	394,000#
7-7/8"	2,300'± – TD	9,700±	4-1/2"	11.6#	N-80	LT&C	6350 Psi	7780 Psi	223,000#

Note: 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-1/2", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. (30± total). Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

EIGHT POINT PLAN
CHAPITA WELLS UNIT 989-15
SE/NW, SEC. 15, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

Production Hole Procedure (2300'± - TD): Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'± - TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD. Cased hole evaluation logs will be run in lieu of open hole logs.

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead: Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl₂, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

Tail: Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Top Out: As necessary with Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Note: Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

EIGHT POINT PLAN
CHAPITA WELLS UNIT 989-15
SE/NW, SEC. 15, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

CEMENT PROGRAM (Continued):

Production Hole Procedure (2300'± - TD)

Lead: 130 sks: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft³/sk., 9.19 gps water.

Tail: 935 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.

Note: Number of sacks is based on gauged hole calculation.
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe. Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

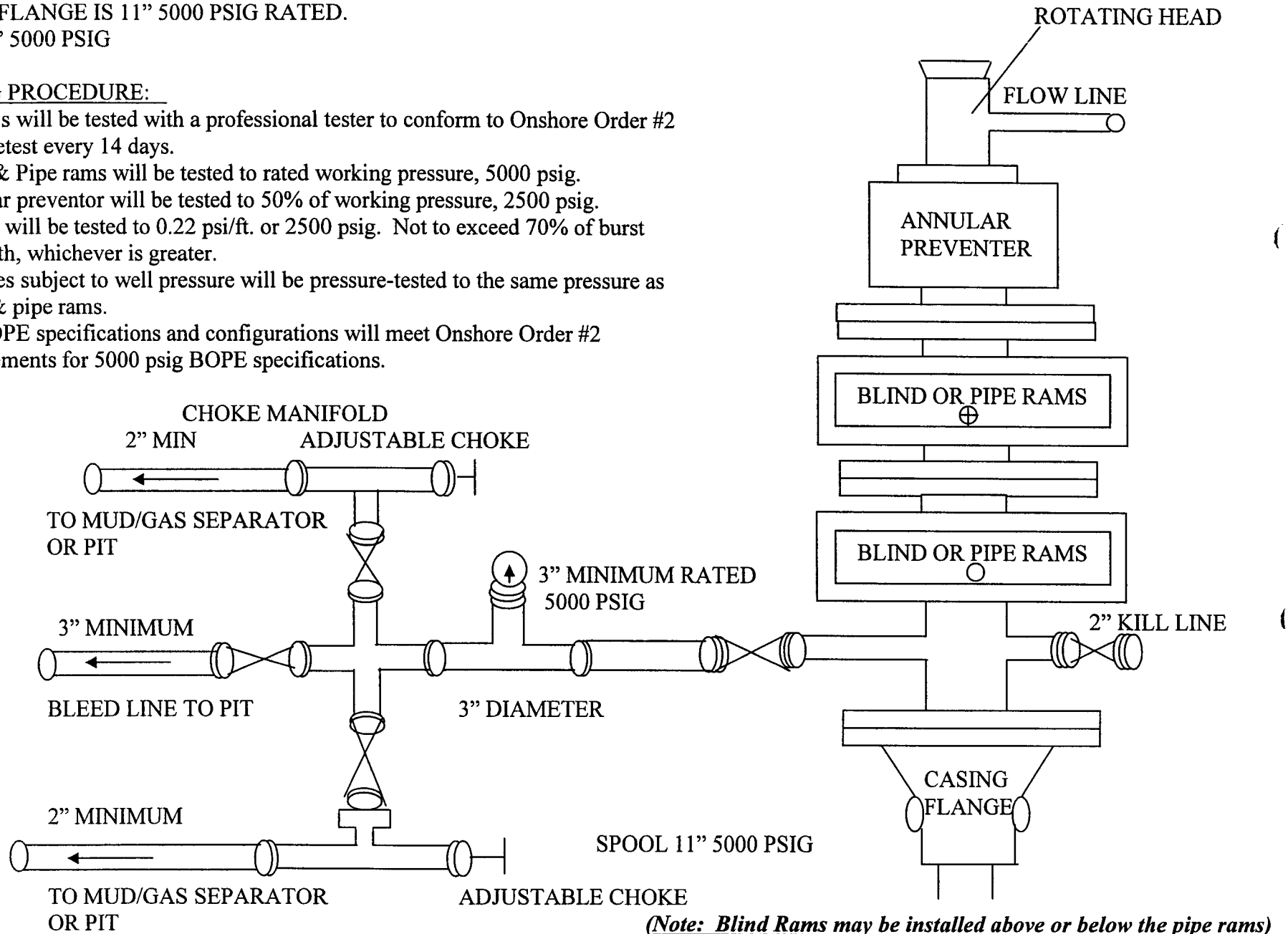
(Attachment: BOP Schematic Diagram)

5000 PSIG DIAGRAM

ANNULAR PREVENTOR AND BOTH RAMS ARE 5000 PSIG RATED.
CASING FLANGE IS 11" 5000 PSIG RATED.
BOPE 11" 5000 PSIG

TESTING PROCEDURE:

1. BOPE's will be tested with a professional tester to conform to Onshore Order #2 with retest every 14 days.
2. Blind & Pipe rams will be tested to rated working pressure, 5000 psig.
3. Annular preventor will be tested to 50% of working pressure, 2500 psig.
4. Casing will be tested to 0.22 psi/ft. or 2500 psig. Not to exceed 70% of burst strength, whichever is greater.
5. All lines subject to well pressure will be pressure-tested to the same pressure as blind & pipe rams.
6. All BOPE specifications and configurations will meet Onshore Order #2 requirements for 5000 psig BOPE specifications.



**CONDITIONS OF APPROVAL
FOR THE SURFACE USE PROGRAM OF THE
APPLICATION FOR PERMIT TO DRILL**

Company/Operator:	<u>EOG Resources, Inc.</u>
Well Name & Number:	<u>Chapita Wells Unit 989-15</u>
Lease Number:	<u>U-0283-A</u>
Location:	<u>2037' FNL & 1659' FWL, SE/NW, Sec. 15,</u> <u>T9S, R22E, S.L.B.&M., Uintah County, Utah</u>
Surface Ownership:	<u>Federal</u>

NOTIFICATION REQUIREMENTS

Location Construction - forty-eight (48) hours prior to construction
of location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice: - at least twenty-four (24) hours prior to
spudding the well.

Casing String and
Cementing - twenty-four (24) hours prior to running
casing and cementing all casing strings.

BOP and related
Equipment Tests - twenty-four (24) hours prior to running
casing and tests.

First Production
Notice - within five (5) business days after new
Well begins or production resumes after
Well has been off production for more
than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of
Approval for Notice to Drill and Surface Use Program.

THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 16.03 miles southeast of Ouray, Utah - See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

2. PLANNED ACCESS ROAD

- A. An existing access road will be utilized to service this well. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. Maximum grade on access road will be 8%.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

New or reconstructed roads will be centerlined - flagged at time of location staking.

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of-Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

3. **LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION**

- A. Abandoned wells - 5*
- B. Producing wells - 53*
- C. Shut in wells - 2*

(*See attached TOPO map "C" for location)

4. **LOCATION OF EXISTING AND/OR PROPOSED FACILITIES**

A. **ON WELL PAD**

- 1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, 300 Bbl vertical or 200 Bbl low profile, condensate tank, and attaching piping.
- 2. Gas gathering lines - A 4" gathering line will be buried from dehy to the edge of the location.

B. **OFF WELL PAD**

- 1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
- 2. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery.

The production facilities will be placed on the Northeast side of the location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is Carlsbad Canyon.

If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.

5. **LOCATION & TYPE OF WATER SUPPLY**

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/or Target Trucking Inc.'s water source in the SW/SW, Sec. 35, T9S, R22E, Uintah County, Utah (State Water Right #49-1501). Produced water from the Chapita Wells and Stagecoach Units will also be used.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

6. **SOURCE OF CONSTRUCTION MATERIAL**

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. All construction material will come from Federal Land.
- C. No mineral materials will be required.

7. **METHODS OF HANDLING WASTE DISPOSAL**

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
- 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.

- B. Water from drilling fluids and recovered during testing operations will be

disposed of by either evaporating in the reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

On BLM administered land:

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt and a 12 millimeter plastic liner.

8. ANCILLARY FACILITIES

- A. No airstrips or camps are planned for this well.

9. WELLSITE LAYOUT

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.
- D. The approved seed mixture for this location is:
 - Four-Wing Salt Bush – 3 pounds per acre
 - Indian Rice Grass – 2 pounds per acre
 - Needle and Thread Grass – 2 pounds per acre
 - Hi-Crest Crested Wheat Grass – 4 pounds per acre.

The reserve pit will be located on the Southwest corner of the location. The flare pit will be located downwind of the prevailing wind direction on the West side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil North of Corner #5. The stockpiled location topsoil will be stored Northeast and Northwest of Corner #2. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture for this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the South.

Corners #6 & #8 will be rounded off to minimize excavation.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is to be regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently mounted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RESTORATION OF SURFACE

A. PRODUCING LOCATION

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

B. DRY HOLE/ABANDONED LOCATION

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriate surface rehabilitation conditions of approval.

11. SURFACE OWNERSHIP

Access road: Federal

Location: Federal

12. OTHER INFORMATION

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the AO. Within five working days the AO will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used.
- a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable

facilities. A list of noxious weeds will be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.

- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

Additional Surface Stipulations

None

LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

PERMITTING AGENT

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Telephone: (435)789-4120
Fax: (435)789-1420

DRILLING OPERATIONS

Donald Presenkowski
EOG Resources, Inc.
P.O. Box 250
Big Piney, WY 83113
Telephone: (307)276-4865

All lease or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. EOG Resources, Inc. is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions that presently exist; that the statements made in the Plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this Plan and the terms and conditions under which it is approved.

Please be advised that EOG Resources, Inc. is considered to be the operator of the **Chapita Wells Unit 989-15 Well, located in the SE/NW of Section 15, T9S, R22E, Uintah County, Utah; Lease #U-0283-A;** and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is provided under Bond #NM 2308.

8-10-2005
Date


Agent

EOG RESOURCES, INC.
CWU #989-15
SECTION 15, T9S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.7 MILES THE JUNCTION OF THIS ROAD AND AN EXISTING ACCESS ROAD TO THE NORTH; TURN LEFT AND PROCEED IN A NORTHERLY DIRECTION APPROXIMATELY 175' +/- TO THE CWU #353-15F AND THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 47.0 MILES.

EOG RESOURCES, INC.

CWU #989-15

LOCATED IN UINTAH COUNTY, UTAH
SECTION 15, T9S, R22E, S.L.B.&M.

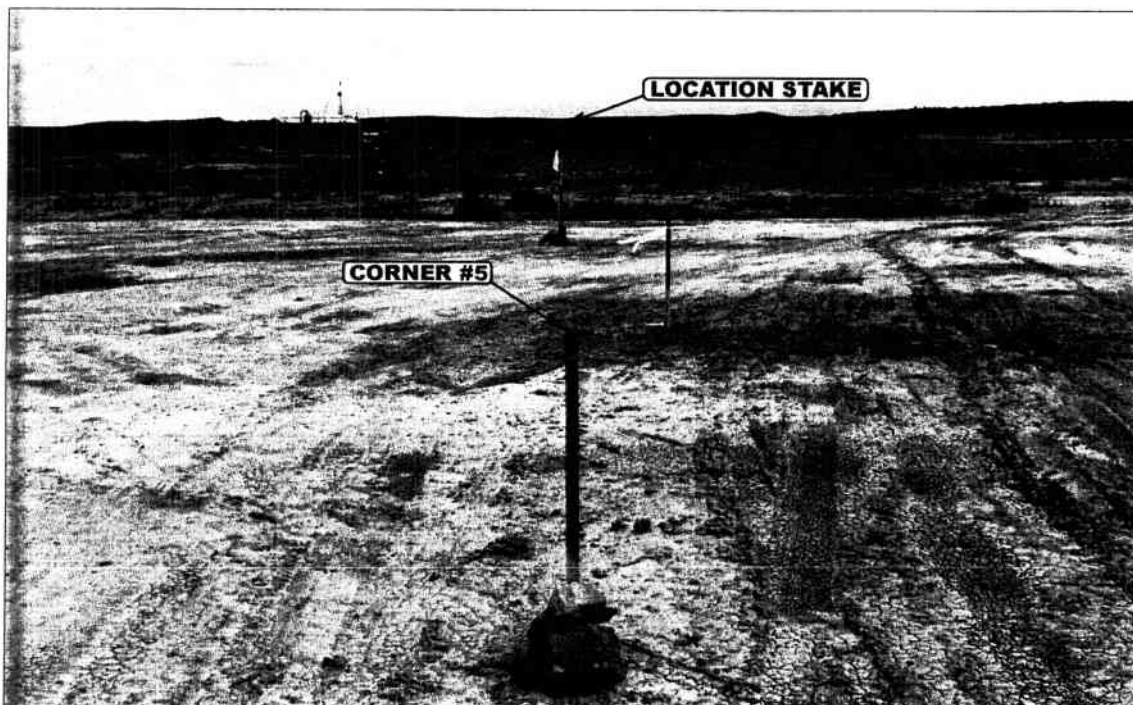


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY



PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: NORTHEASTERLY



- Since 1964 -

E&L

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

05 12 05
MONTH DAY YEAR

PHOTO

TAKEN BY: D.L.

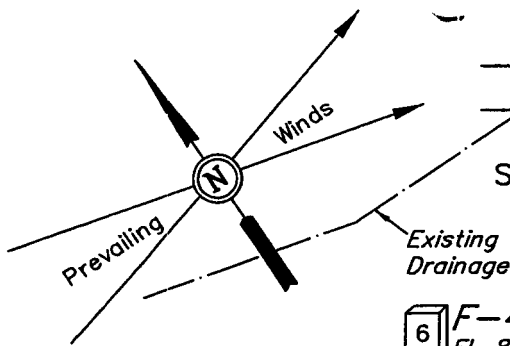
DRAWN BY: S.L.

REVISED: 00-00-00

EOG RESOURCES, INC.

LOCATION LAYOUT FOR

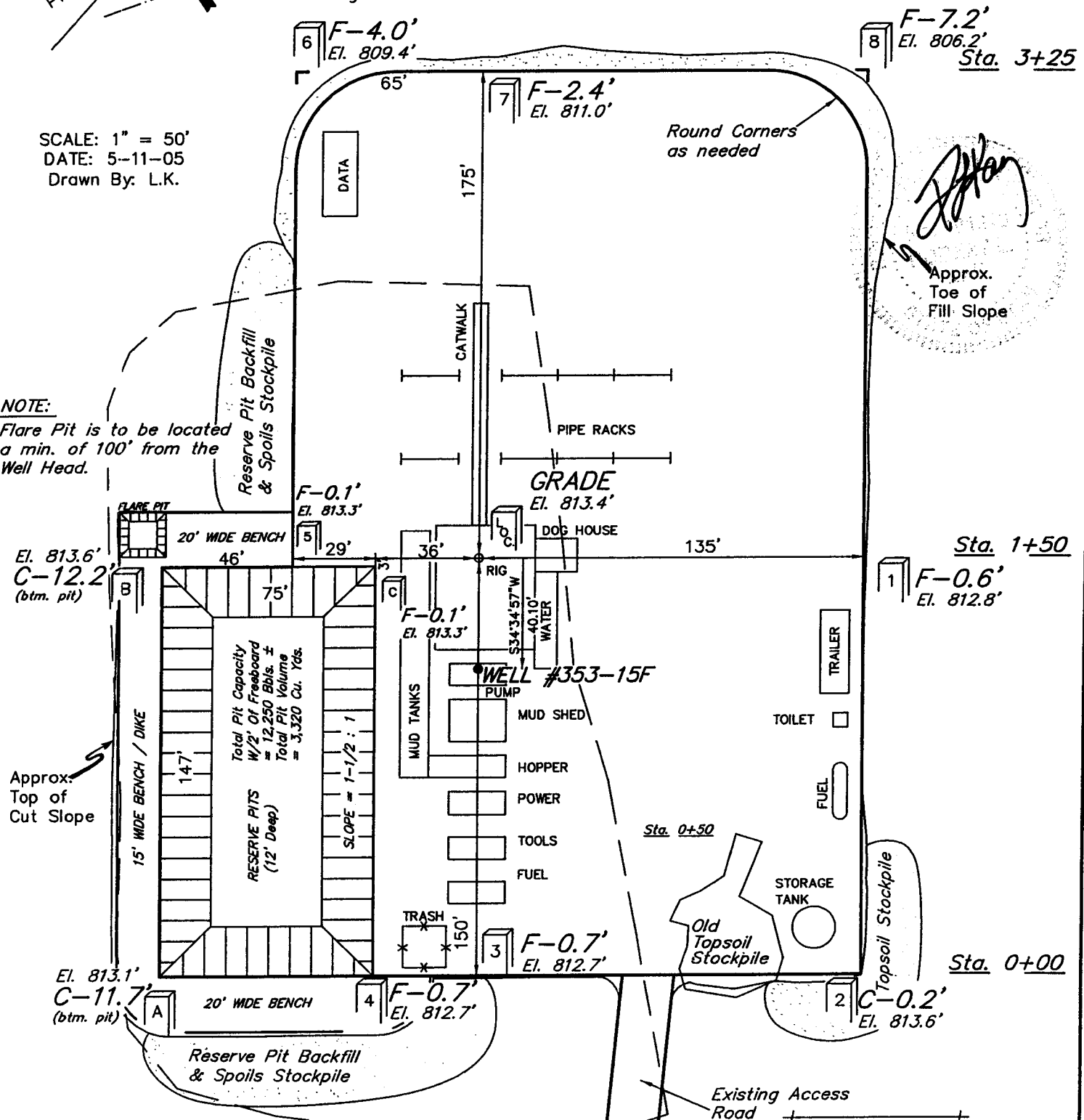
CWU #989-15
SECTION 15, T9S, R22E, S.L.B.&M.
2037' FNL 1659' FWL



SCALE: 1" = 50'
DATE: 5-11-05
Drawn By: L.K.

NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.



NOTES:

FINISHED GRADE ELEV. AT LOC. STAKE = 4813.4'

FIGURE #1

UNTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

EOG RESOURCES, INC.

FIGURE #2

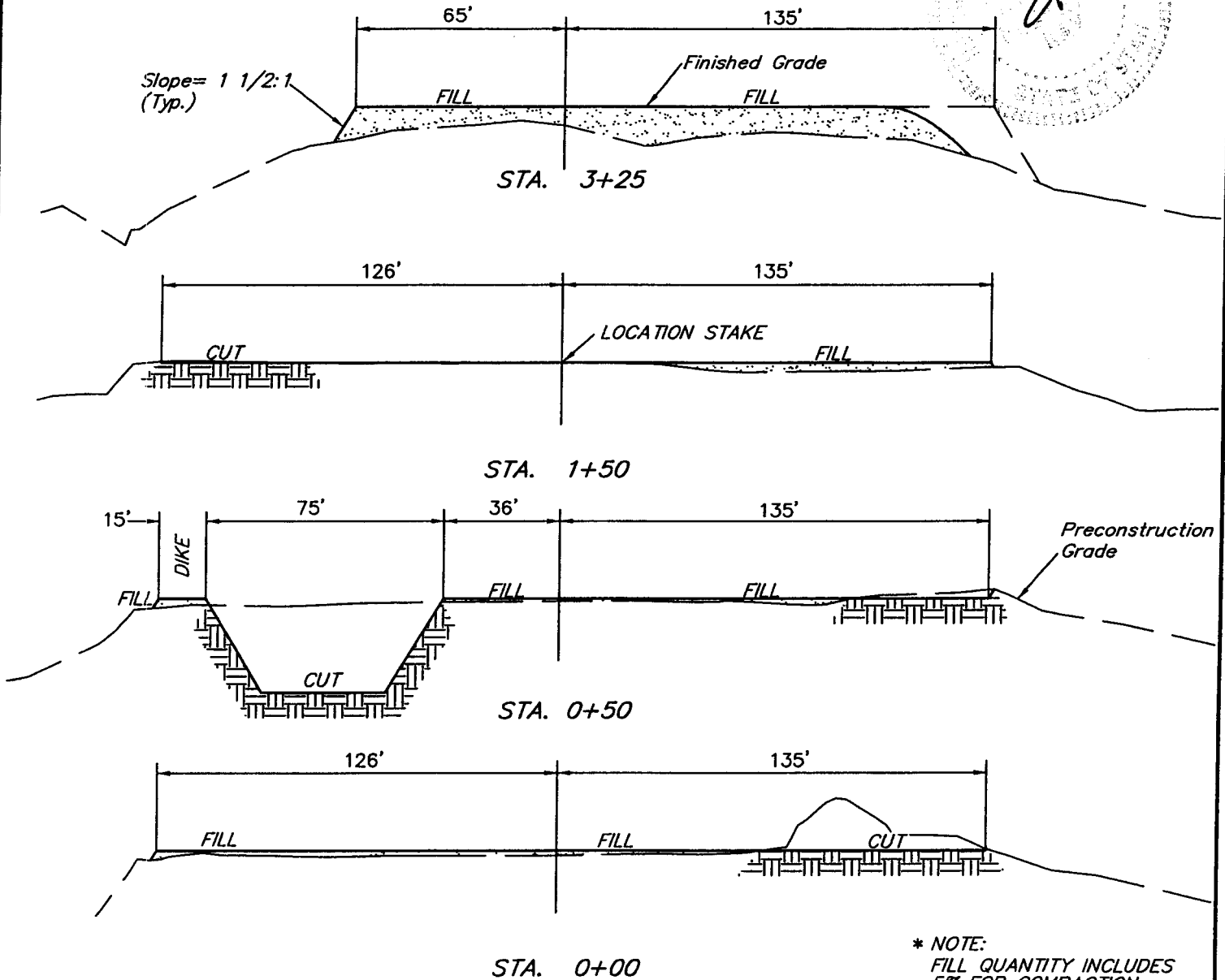
TYPICAL CROSS SECTIONS FOR

CWU #989-15

SECTION 15, T9S, R22E, S.L.B.&M.

2037' FNL 1659' FWL

1" = 20'
X-Section
Scale
1" = 50'
DATE: 5-11-05
Drawn By: L.K.

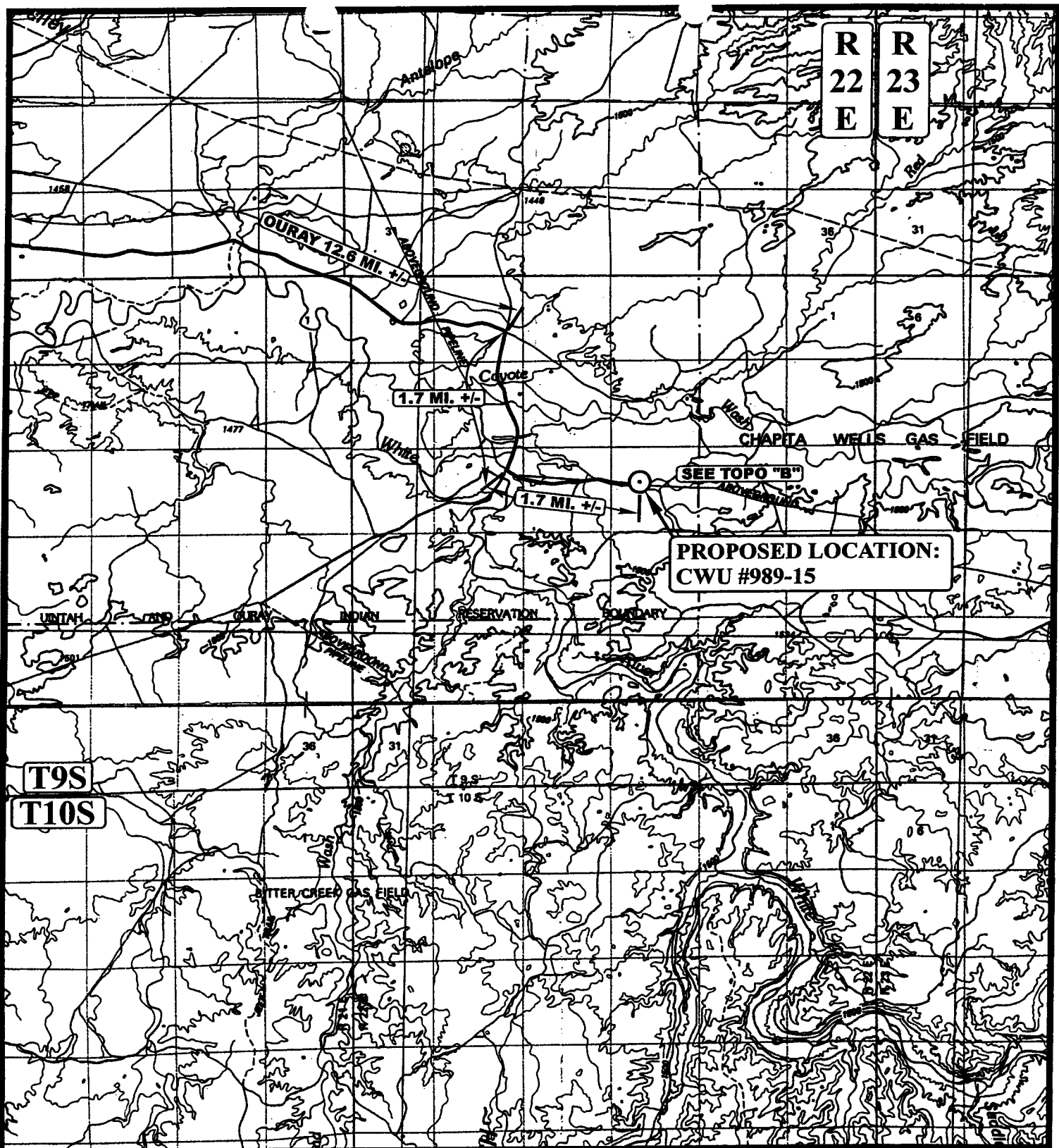


APPROXIMATE YARDAGES

CUT
(6") Topsoil Stripping = 1,480 Cu. Yds.
New Construction Only
Remaining Location = 4,120 Cu. Yds.
TOTAL CUT = 5,600 CU.YDS.
FILL = 1,290 CU.YDS.

EXCESS MATERIAL = 4,310 Cu. Yds.
Topsoil & Pit Backfill = 3,140 Cu. Yds.
(1/2 Pit Vol.)
EXCESS UNBALANCE = 1,170 Cu. Yds.
(After Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017



LEGEND:

⊙ PROPOSED LOCATION

EOG RESOURCES, INC.

CWU #989-15

SECTION 15, T9S, R22E, S.L.B.&M.

2037' FNL 1659' FWL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

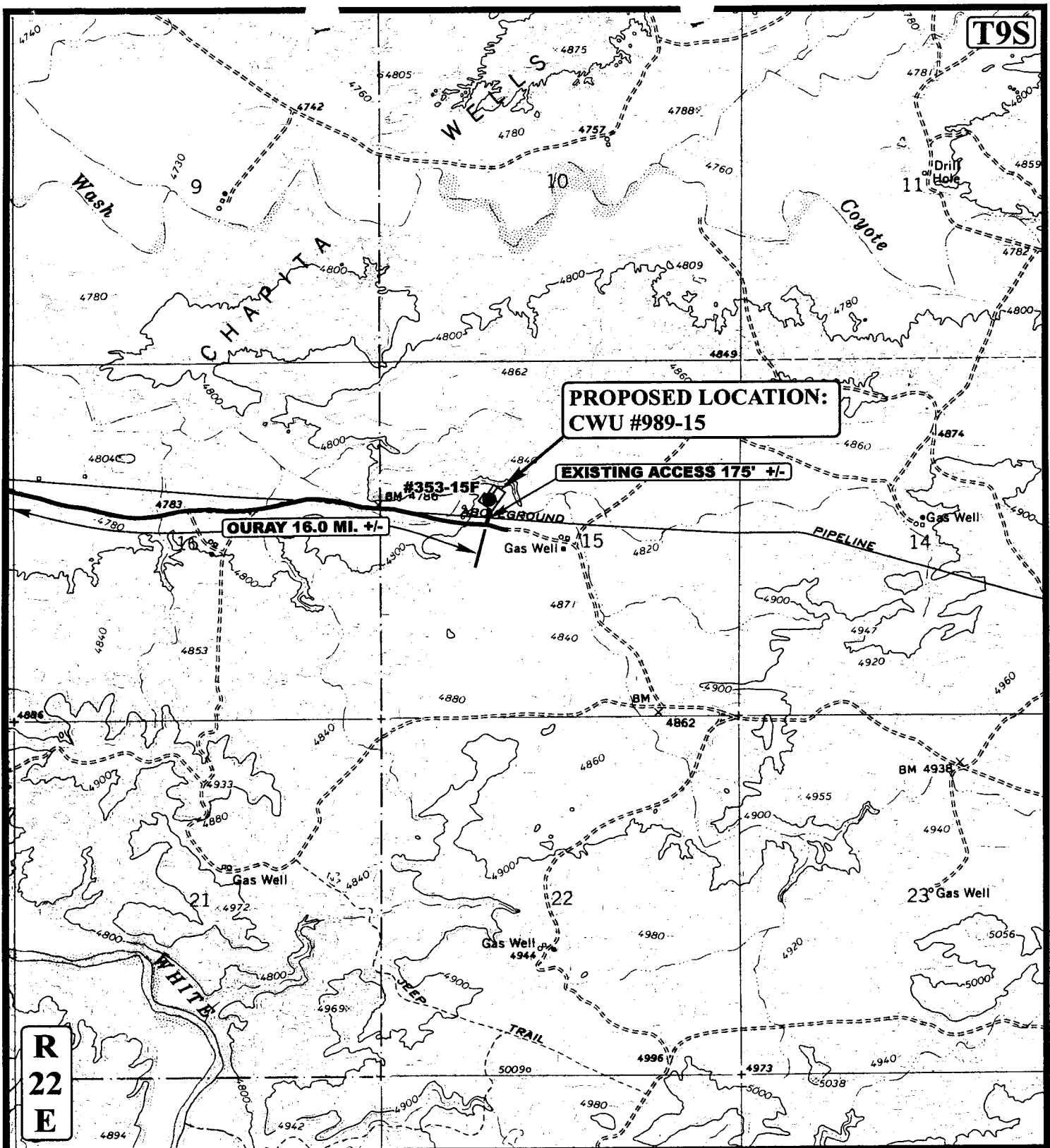


**TOPOGRAPHIC
MAP**

05 12 05
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: S.L. REVISED: 00-00-00





LEGEND:

— EXISTING ROAD

EOG RESOURCES, INC.

CWU #989-15
SECTION 15, T9S, R22E, S.L.B.&M.
2037' FNL 1659' FWL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813



**TOPOGRAPHIC
MAP**

05 12 05
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: S.L. REVISED: 00-00-00



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 08/16/2005

API NO. ASSIGNED: 43-047-36976

WELL NAME: CWU 989-15

OPERATOR: EOG RESOURCES INC (N9550)

CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

SENW 15 090S 220E

SURFACE: 2037 FNL 1659 FWL

BOTTOM: 2037 FNL 1659 FWL

UINTAH

NATURAL BUTTES (630)

LEASE TYPE: 1 - Federal

LEASE NUMBER: U-0283-A

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: PRRV

COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LATITUDE: 40.03773

LONGITUDE: -109.4289

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. NM-2308)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. 49-1501)
☒ RDCC Review (Y/N)
(Date:)
☒ Fee Surf Agreement (Y/N)
☒ Intent to Commingle (Y/N)

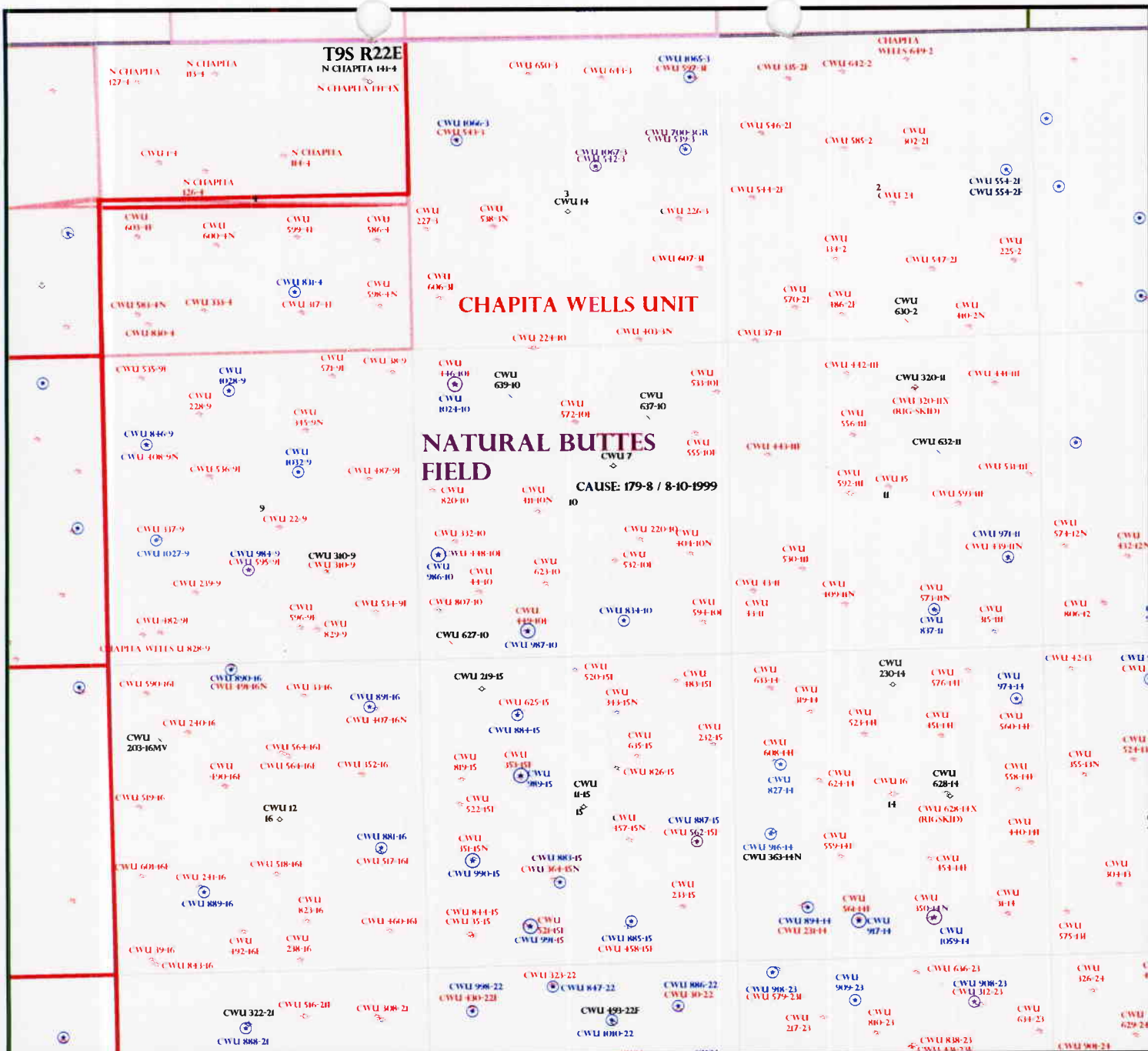
LOCATION AND SITING:

___ R649-2-3.
Unit CHAPITA WELLS
___ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
___ R649-3-3. Exception
☒ Drilling Unit
Board Cause No: 179-8
Eff Date: 8-10-1999
Siting: Suspends General Siting
___ R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: _____

1- Federal Approval
2- Oil Shale



OPERATOR: EOG RESOURCES INC (N9550)

SEC: 3,10,15 T. 9S R. 22E

FIELD: NATURAL BUTTES (630)

COUNTY: UTAH

CAUSE: 179-8 / 8-10-1999

Field Status

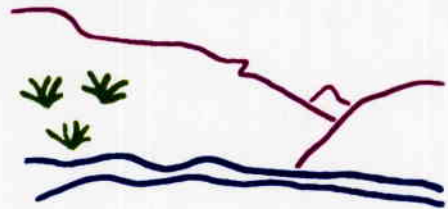
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

Unit Status

- EXPLORATORY
- GAS STORAGE
- NE PP OIL
- NE SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Wells Status

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
DATE: 16-AUG-2005

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

August 17, 2005

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2005 Plan of Development Chapita Wells Unit Uintah
County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2005 within the Chapita Wells Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
-------	-----------	----------

(Proposed PZ Price River)

43-047-36952	CWU 1055-13 Sec 13 T09S R22E 2022 FNL 1755	FEL
43-047-36953	CWU 1036-13 Sec 13 T09S R22E 0250 FSL 1960	FEL
43-047-36954	CWU 1037-13 Sec 13 T09S R22E 1933 FSL 0829	FEL
43-047-36966	CWU 917-14 Sec 14 T09S R22E 0654 FSL 2069	FWL
43-047-36967	CWU 1059-14 Sec 14 T09S R22E 0679 FSL 1945	FEL
43-047-36956	CWU 1038-24 Sec 24 T09S R22E 0627 FNL 0678	FEL
43-047-36968	CWU 640-26 Sec 26 T09S R22E 0275 FNL 2121	FEL
43-047-36969	CWU 937-26 Sec 26 T09S R22E 0426 FNL 0189	FWL
43-047-36949	CWU 1066-3 Sec 3 T09S R22E 1715 FNL 0825	FWL
43-047-36950	CWU 1065-3 Sec 3 T09S R22E 0687 FNL 0492	FEL
43-047-36951	CWU 1067-3 Sec 3 T09S R22E 2185 FNL 2120	FEL
43-047-36964	CWU 986-10 Sec 10 T09S R22E 1772 FSL 0353	FWL
43-047-36965	CWU 987-10 Sec 10 T09S R22E 0429 FSL 1831	FWL
43-047-36973	CWU 1024-10 Sec 10 T09S R22E 0613 FNL 0693	FWL
43-047-36974	CWU 991-15 Sec 15 T09S R22E 0675 FSL 1760	FWL
43-047-36975	CWU 990-15 Sec 15 T09S R22E 1822 FSL 0815	FWL
43-047-36976	CWU 989-15 Sec 15 T09S R22E 2037 FNL 1659	FWL
43-047-36978	CWU 1035-19 Sec 19 T09S R23E 2108 FNL 0530	FWL
43-047-36979	CWU 1034-19 Sec 19 T09S R23E 0853 FNL 2018	FWL

Page 2

43-047-36957 CWU 1068-28 Sec 28 T09S R23E 1783 FSL 1988 FWL
43-047-36958 CWU 688-30 Sec 30 T09S R23E 1671 FNL 0637 FEL
43-047-36959 CWU 687-30 Sec 30 T09S R23E 0569 FSL 0764 FEL
43-047-36960 CWU 686-30 Sec 30 T09S R23E 2007 FSL 0635 FWL
43-047-36971 CWU 955-32 Sec 32 T09S R23E 2179 FNL 0657 FEL
43-047-36961 CWU 1069-33 Sec 33 T09S R23E 0544 FNL 2180 FEL
43-047-36972 CWU 961-33 Sec 33 T09S R23E 2149 FSL 0712 FWL
43-047-36970 CWU 680-6 Sec 6 T09S R23E 0461 FSL 0790 FEL
43-047-36977 CWU 1039-18 Sec 18 T09S R23E 1824 FSL 2154 FWL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Chapita Wells Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:8-17-05



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

August 17, 2005

EOG Resources Inc.
P O Box 1815
Vernal, UT 84078

Re: Chapita Wells Unit 989-15 Well, 2037' FNL, 1659' FWL, SE NW, Sec. 15,
T. 9 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-36976.

Sincerely,



Gil Hunt
Acting Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: EOG Resources Inc.
Well Name & Number Chapita Wells Unit 989-15
API Number: 43-047-36976
Lease: U-0283-A

Location: SE NW **Sec.** 15 **T.** 9 South **R.** 22 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

5. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

AUG 15 2005

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL ☐ REENTER

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

2. Name of Operator
EOG RESOURCES, INC.

3a. Address **P.O. BOX 1815
VERNAL, UT 84078**

3b. Phone No. (Include area code)
(435)789-0790

4. Location of Well (Report location clearly and in accordance with any State requirements. *)
At surface **2037' FNL, 1659' FWL** **SE/NW**
At proposed prod. Zone

14. Distance in miles and direction from nearest town or post office*
16.03 MILES SOUTHEAST OF OURAY, UTAH

15. Distance from proposed*
location to nearest
property or lease line, ft. **1659'**
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease
1360

18. Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft. See Topo Map C

19. Proposed Depth
9700'

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
4813.4 FEET GRADED GROUND

22. Approximate date work will start*
UPON APPROVAL

5. Lease Serial No.
U-0283-A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.
CHAPITA WELLS UNIT

8. Lease Name and Well No.
CHAPITA WELLS UNIT 989-15

9. API Well No.
4304736976

10. Field and Pool, or Exploratory
NATURAL BUTTES

11. Sec., T., R., M., or Blk. and Survey or Area
**SEC. 15, T9S, R22E,
S.L.B.&M.**

12. County or Parish
UINTAH

13. State
UTAH

17. Spacing Unit dedicated to this well

20. BLM/BIA Bond No. on file
NM-2308

23. Estimated duration
45 DAYS

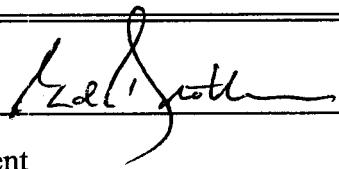
24. Attachments

Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature



Name (Printed/Typed)
Ed Trotter

Accepted by the
**Utah Division of
Oil, Gas and Mining**

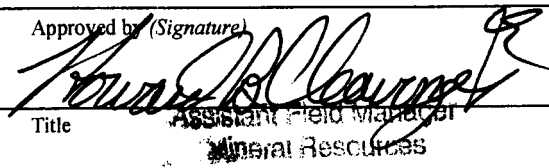
Date
August 10, 2005

Title

Agent

FOR RECORD ONLY

Approved by (Signature)



Name (Printed/Typed)

JAN 25 2006

Date

01/14/2006

Title

**Assistant Field Manager
Mineral Resources**

Office

UTAH DIVISION OF OIL, GAS AND MINING

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of Approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

CONDITIONS OF APPROVAL ATTACHED

OFFICE OF APPROVAL



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE
170 South 500 East VERNAL, UT 84078 (435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: EOG Resources Inc
Well No: CWU 989-15

Location: SENW Sec 15, T9S, R22E
Lease No: UTU-0283-A

Petroleum Engineer: Matt Baker
Petroleum Engineer: Michael Lee
Supervisory Petroleum Technician: Jamie Sparger
BLM FAX Machine

Office: 435-781-4490 Cell: 435-828-4470
Office: 435-781-4432 Cell: 435-828-7875
Office: 435-781-4502 Cell: 435-828-3913
(435) 781-4410

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval.. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations.

Downhole Conditions of Approval

All provisions outlined in Onshore Oil and Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

1. Top of cement for the production casing shall be at a minimum of 2100'
2. Surface casing shoe integrity test shall be performed.

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

1. There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.

2. The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
3. **Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.**
4. Blowout prevention equipment (BOPE) will remain in use until the well is completed or abandoned. Closing unit controls must remain unobstructed and readily accessible at all times. Choke manifolds must be located outside of the rig substructure.

All BOPE components will be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil and Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests must be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test must be reported in the driller's log.

BOP drills must be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil and Gas Order No. 2.

Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.

No aggressive/fresh hard-banded drill pipe shall be used within casing.

5. All shows of fresh water and minerals will be reported and protected. A sample will be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows will be adequately tested for commercial possibilities, reported, and protected.
6. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office must be obtained and notification given before resumption of operations.
7. Chronologic drilling progress reports must be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

Any change in the program must be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) must be filed for all changes of plans and other operations in accordance with 43 CFR ' 3162.3-2.

Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, will require the filing of a suitable plan pursuant to Onshore Oil and Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.

In accordance with 43 CFR ' 3162.4-3, this well must be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report should be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.

8. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) will be submitted only when requested by the BLM, Worland Field Office.
9. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the BLM, Vernal Field Office.

All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.

10. Oil and gas meters will be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
11. A schematic facilities diagram as required by Onshore Oil and Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil and Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil and Gas Order No. 3.
12. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - a. Operator name, address, and telephone number.
 - b. Well name and number.
 - c. Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - d. Date well was placed in a producing status (date of first production for which royalty will be paid).

- e. The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - f. The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - g. Unit agreement and / or participating area name and number, if applicable.
 - h. Communitization agreement number, if applicable.
13. Any venting or flaring of gas will be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
14. All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, will be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
15. Pursuant to Onshore Oil and Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method should be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
16. Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

Company/Operator: EOG Resources Inc..

API Number 43-047-36976

Well Name & Number: CWU 989-15

Lease number: UTU-0283-A

Location: SENW Sec, 15 T.9S. R. 22E.

Surface Ownership: BLM

Date NOS Received: 7/26/05

Date APD Received: 8/15/05

Conditions for Approval are in the APD

Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt.

The pipeline shall be buried within the identified construction width of an access corridor that contains the access road and pipelines. The operator may request in writing an exception to this COA. Exceptions to this COA may include but are not limited to: laterally extensive, hard indurated bedrock, such as sandstone, which is at or within 2 feet of the surface; and, soil types with a poor history for successful rehabilitation. The exception request will be reviewed by the authorized officer (AO) and a determination made.

Prior to abandonment of a buried pipeline, the operator will obtain authorization from the appropriate regulatory agency. BLM will determine whether the pipeline and all above ground pipeline facilities shall be removed and unsalvageable materials disposed of at approved sites or abandoned in place. Reshaping and revegetation of disturbed land areas will be completed where necessary.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: U-0283-A
2. NAME OF OPERATOR: EOG RESOURCES, INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1060 East Highway 40 CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS UNIT
PHONE NUMBER: (435) 789-0790		8. WELL NAME and NUMBER: CHAPITA WELLS UNIT 989-15
		9. API NUMBER: 43-047-36976
		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL FOOTAGES AT SURFACE: 2037 FNL 1659 FWL 40.037681 LAT 109.429589 LON QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENW 15 9S 22E S.L.B. & M	COUNTY: UINTAH STATE: UTAH
----------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input checked="" type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: <u>APD EXTENSION REQUEST</u>
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 08-21-06
By: [Signature]

NAME (PLEASE PRINT) Kaylene R. Gardner	TITLE Regulatory Assistant
SIGNATURE [Signature]	DATE 8/15/2006

(This space for State use only)

9/28/06
RM

AUG 1 / 2006

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-36976
Well Name: CHAPITA WELLS UNIT 989-15
Location: 2037 FNL 1659 FWL (SESW), SECTION 15, T9S, R22E S.L.B.&M
Company Permit Issued to: EOG RESOURCES, INC.
Date Original Permit Issued: 8/17/2005

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☐

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

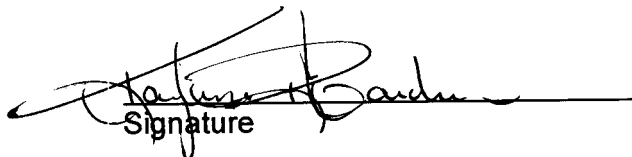
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐


Signature

8/15/2006

Date

Title: REGULATORY ASSISTANT

Representing: EOG RESOURCES, INC.

AUG 1 / 2006

DIV. OF OIL, GAS & MINERAL

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-2 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	DEC 21 2006	5. Lease Serial No. U-0283-A
2. Name of Operator EOG Resources, Inc.		6. If Indian, Allottee or Tribe Name
3a. Address 1060 East Highway 40 Vernal, Ut 84078	5b. Phone No. (include area code) 435-781-9111	7. If Unit or CA/Agreement, Name and/or No. Chapita Wells Unit
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2037' FNL & 1659' FWL (SE/NW) Sec. 15-T9S-R22E 40.037681 LAT 109.429589 LON		8. Well Name and No. Chapita Wells Unit 989-15
		9. API Well No. 43-047-36976
		10. Field and Pool, or Exploratory Area Natural Buttes
		11. County or Parish, State Uintah County, Utah

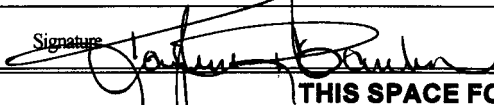
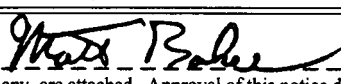
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other APD Renewal
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. requests the APD for the referenced well originally approved 1/14/2006 be extended for one year.

CONDITIONS OF APPROVAL ATTACHED

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Kaylene R. Gardner		Title Sr. Regulatory Assistant
Signature 		Date 12/20/2006
THIS SPACE FOR FEDERAL OR STATE OFFICE USE		
Approved by  Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Title Petroleum Engineer Date FEB 05 2007
		Office
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.		

(Instructions on page 2)

RECEIVED

MAR 05 2007

DIV. OF OIL, GAS & MINING

UDOGM

CONDITIONS OF APPROVAL

EOG Resources Inc.

Notice of Intent APD Extension

Lease: UTU-0283-A
Well: CWU 989-15
Location: SENW Sec 15-T9S-R22E

An extension for the referenced APD is granted with the following conditions:

1. The extension and APD shall expire on 1/14/08
2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Matt Baker of this office at (435) 781-4490

RECEIVED

MAR 05 2007

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: U-0283-A
2. NAME OF OPERATOR: EOG RESOURCES, INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1060 East Highway 40 VERNAL UT 84078		7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS UNIT
PHONE NUMBER: (435) 789-0790		8. WELL NAME and NUMBER: CHAPITA WELLS UNIT 989-15
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2037 FNL 1659 FWL 40.037681 LAT 109.429589 LON QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENW 15 9S 22E S.L.B. & M		9. API NUMBER: 43-047-36976
		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
		COUNTY: UINTAH
		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input checked="" type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: APD EXTENSION REQUEST
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 08-21-07
By: [Signature]

NAME (PLEASE PRINT) Kaylene R. Gardner	TITLE Lead Regulatory Assistant
SIGNATURE <u>[Signature]</u>	DATE 8/15/2007

(This space for State use only)

8-22-07
RM

AUG 20 2007

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-36976
Well Name: CHAPITA WELLS UNIT 989-15
Location: 2037 FNL 1659 FWL (SESW), SECTION 15, T9S, R22E S.L.B.&M
Company Permit Issued to: EOG RESOURCES, INC.
Date Original Permit Issued: 8/17/2005

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☐

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐


Signature

8/15/2007

Date

Title: Lead Regulatory Assistant

Representing: EOG Resources, Inc.

AUG 20 2007

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: CWU 989-15

Api No: 43-047-36976 Lease Type: FEDERAL

Section 15 Township 09S Range 22E County UINTAH

Drilling Contractor ROCKY MOUNTAIN DRLG RIG # RATHOLE

SPUDDED:

Date 12/27/07

Time 5:00 PM

How DRY

Drilling will Commence: _____

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 12/31/07 Signed CHD

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator EOG Resources, Inc Operator Account Number N 9550
Address 600 17th St, Suite 1000N
city Denver
state CO zip 80202 Phone Number (303) 824-5526

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36976	Chapita Wells Unit 989-15		SENW	15	9S	22E	Utah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<u>AB</u>	<u>99999</u>	<u>13650</u>	<u>12/27/2007</u>		<u>12/31/07</u>		
Comments <u>PRRU = MVRD</u>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

ACTION CODES

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in comments' section)

Mary A Maestas

Name (Please Print)

Mary A Maestas

Signature

Regulatory Assistant

12/31/2007

Title

Date

RECEIVED

DEC 31 2007

DIV OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.5. Lease Serial No.
UTU0283A

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.7. If Unit or CA/Agreement, Name and/or No.
CHAPITA WELLS UNI

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other8. Well Name and No.
CHAPITA WELLS UNIT 989-152. Name of Operator
EOG RESOURCES INCContact: MARY A MAESTAS
E-Mail: mary_maestas@eogresources.com9. API Well No.
43-047-369763a. Address
600 17TH STREET SUITE 1000N
DENVER, CO 802023b. Phone No. (include area code)
Ph: 303-824-552610. Field and Pool, or Exploratory
NATURAL BUTTES/MESAVERDE

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 15 T9S R22E SENW 2037FNL 1659FWL
40.03768 N Lat, 109.42959 W Lon11. County or Parish, and State
UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Well Spud
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well spud on 12/27/2007.

RECEIVED

JAN 04 2008

DIV. OF OIL, GAS & MINING

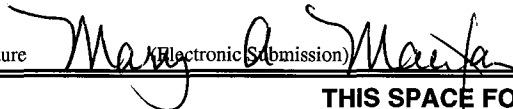
14. I hereby certify that the foregoing is true and correct.

Electronic Submission #57788 verified by the BLM Well Information System
For EOG RESOURCES INC, sent to the Vernal

Name (Printed/Typed) MARY A MAESTAS

Title REGULATORY ASSISTANT

Signature



Date 12/31/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No.
UTU0283A

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

7. If Unit or CA/Agreement, Name and/or No.
CHAPITA WELLS UNI

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
CHAPITA WELLS UNIT 989-15

2. Name of Operator
EOG RESOURCES INC

Contact: MARY A MAESTAS
E-Mail: mary_maestas@eogresources.com

9. API Well No.
43-047-36976

3a. Address
600 17TH STREET SUITE 1000N
DENVER, CO 80202

3b. Phone No. (include area code)
Ph: 303-824-5526

10. Field and Pool, or Exploratory
NATURAL BUTTES/MESAVERDE

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 15 T9S R22E SENW 2037FNL 1659FWL
40.03768 N Lat, 109.42959 W Lon

11. County or Parish, and State
UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. requests authorization for disposal of produced water from the referenced well to any of the following locations.

1. Natural Buttes Unit 21-20B SWD
2. Chapita Wells Unit 550-30N SWD
3. Chapita Wells Unit 2-29 SWD
4. Red Wash Evaporation ponds 1, 2, 3 & 4
5. RN Industries

Accepted by the
Regulatory Division of
B.L. Gas and Mining

JAN 04 2008

FOR RECORD ONLY

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #57787 verified by the BLM Well Information System
For EOG RESOURCES INC, sent to the Vernal

Name (Printed/Typed) MARY A MAESTAS

Title REGULATORY ASSISTANT

Signature

Mary A Maestas

Date 12/31/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU0283A
2. Name of Operator EOG RESOURCES, INC.		6. If Indian, Allottee or Tribe Name
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078		7. If Unit or CA/Agreement, Name and/or No. CHAPITA WELLS UNI
3b. Phone No. (include area code) Ph: 435-781-9111		8. Well Name and No. CHAPITA WELLS UNIT 989-15
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 15 T9S R22E SENW 2037FNL 1659FWL 40.03788 N Lat, 109.42959 W Lon		9. API Well No. 43-047-36976
		10. Field and Pool, or Exploratory NATURAL BUTTES
		11. County or Parish, and State UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION				
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off	
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon		
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal		

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On 1/7/2008 while spudding the referenced well EOG struck fresh water at approximately +/- 150'. Attached please find a copy of the required water analysis.

RECEIVED

JAN 18 2008

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct. Electronic Submission #58100 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal		
Name (Printed/Typed)	KAYLENE GARDNER	Title
Signature	(Electronic Submission)	Date
THIS SPACE FOR FEDERAL OR STATE OFFICE USE		
Approved By	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		
Office		

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Client : EOG
 Well : CWU 989-15
 Report # : 08S0081
 Date : 1-09-2008

Schlumberger

Section 1: District Lab Water Analysis

Water Analysis Results (1)															
Tank #	Tank ID	Sample #	Temp (degF)	pH ()	Sp Gravity ()	Iron (mg/l)	Chloride (%)	Chloride (mg/l)	Carbo-nate (mg/l)	BiCarbo-nate (mg/l)	Hydro-xide (mg/l)	Magne-sium (mg/l)	Cal-cium (mg/l)	Hard-ness (mg/l)	Sul-phate (mg/l)
1	1	1	71	8.04	1.00	2	0.33	1560	0	366	0	0	80	0.30	625

Water Analysis Results (2)			
Tank ID	Resis-tivity (Ohm-M)	Carbo-Hydrates	TDS (mg/l)
1	2.6	No	2633

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

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SUBMIT IN TRIPLICATE - Other instructions on reverse side.

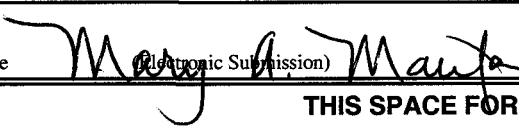
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU0283A
2. Name of Operator EOG RESOURCES, INC		6. If Indian, Allottee or Tribe Name
Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com		7. If Unit or CA/Agreement, Name and/or No. CHAPITA WELLS UNI
3a. Address 600 17TH STREET SUITE 1000 N. DENVER, CO 80202	3b. Phone No. (include area code) Ph: 303-824-5526	8. Well Name and No. CHAPITA WELLS UNIT 989-15
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 15 T9S R22E SENW 2037FNL 1659FWL 40.03768 N Lat, 109.42959 W Lon		9. API Well No. 43-047-36976
		10. Field and Pool, or Exploratory NATURAL BUTTES/MESAVERDE
		11. County or Parish, and State UINTAH COUNTY, UT

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<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Production Start-up
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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The referenced well was turned to sales on 3/25/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

14. I hereby certify that the foregoing is true and correct. Electronic Submission #59302 verified by the BLM Well Information System For EOG RESOURCES, INC, sent to the Vernal	
Name (Printed/Typed) MARY A. MAESTAS	Title REGULATORY ASSISTANT
Signature  (Electronic Submission)	Date 03/27/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		
Office _____		

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**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED**

RECEIVED

APR 02 2008

DIV. OF OIL, GAS & MINING

WELL CHRONOLOGY REPORT

Report Generated On: 03-27-2008

Well Name	CWU 989-15	Well Type	DEVG	Division	DENVER
Field	CHAPITA DEEP	API #	43-047-36976	Well Class	COMP
County, State	UINTAH, UT	Spud Date	02-17-2008	Class Date	
Tax Credit	N	TVD / MD	9,700/ 9,700	Property #	055560
Water Depth	0	Last CSG	2.375	Shoe TVD / MD	0/ 0
KB / GL Elev	4,830/ 4,813				
Location	Section 15, T9S, R22E, SENW, 2037 FNL & 1659 FWL				

Event No	1.0	Description	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	WI %	100.0	NRI %	82.102

AFE No	303039	AFE Total	1,941,100	DHC / CWC	1,010,500/ 930,600
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Rig Contr	TRUE	Rig Name	TRUE #9	Start Date	08-19-2005	Release Date	02-29-2008
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08-19-2005	Reported By	ED TROTTER
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Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
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Cum Costs: Drilling	\$0	Completion	\$0	Well Total	\$0
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MD	0	TVD	0	Progress	0	Days	0	MW	0.0	Visc	0.0
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Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0
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Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
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06:00	06:00	24.0	LOCATION DATA 2037' FNL & 1659' FWL (SE/NW) SECTION 15, T9S, R22E UINTAH COUNTY, UTAH
-------	-------	------	------------------------------------------------------------------------------------------------

LAT 40.037714, LONG 109.428906 (NAT 27)
LAT 40.037681, LONG 109.429589 (NAT 27)

TRUE #9
OBJECTIVE: 9700' TD, MESAVERDE
DW/GAS
CHAPITA WELLS DEEP PROSPECT
CHAPITA WELLS DEEP
NATURAL BUTTES FIELD

LEASE: U-0283-A
ELEVATION: 4813.4' NAT GL, 4813.4' PREP GL (DUE TO ROUNDING 4813' IS THE PREP GL), 4830' KB (17')

EOG BPO WI 100%, NRI 82.1024%
EOG APO WI 56.033%, NRI 48.03854%

12-18-2007	Reported By	TERRY CSERE
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DailyCosts: Drilling	\$38,000	Completion	\$0	Daily Total	\$38,000
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION STARTED.

12-19-2007 Reported By TERRY CSERE

DailyCosts: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 10% COMPLETE.

12-20-2007 Reported By TERRY CSERE

DailyCosts: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 35% COMPLETE.

12-21-2007 Reported By TERRY CSERE

DailyCosts: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 40% COMPLETE.

12-26-2007 Reported By TERRY CSERE

DailyCosts: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINE TODAY.

12-27-2007 Reported By TERRY CSERE

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION COMPLETE.

12-28-2007 Reported By JERRY BARNES

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	60	TVD	60	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION/WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKY MOUNTAIN DRILLING SPUD A 20" HOLE ON 12/27/07 @ 5:00 PM. SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM & MICHAEL LEE W/BLM OF THE SPUD 12/27/07 @ 5:00 PM.

01-18-2008 Reported By JERRY BARNES

Daily Costs: Drilling	\$210,013	Completion	\$0	Daily Total	\$210,013
Cum Costs: Drilling	\$248,013	Completion	\$0	Well Total	\$248,013
MD	2,426	TVD	2,426	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU PRO PETRO AIR RIG #9 ON 1/4/2008. DRILLED 12-1/4" HOLE TO 2435' GL. ENCOUNTERED WATER @ 150' & 1520'. CEMENTED OFF WATER @ 150' AFTER DRILLING TO 250'. RAN 56 JTS (2409.75') OF 9-5/8", 36.0#/ FT, J-55, ST&C CASING WITH TOP-CO GUIDE SHOE & FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2426' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO AIR RIG.

MIRU PRO PETRO CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 150 BBLS FRESH WATER & 40 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 220 SX (149.6 BBLS) PREMIUM LEAD CEMENT W/16 % GEL, 3 % SALT, 10 #/ SX GILSONITE, 1/4 #/ SX FLOCELE, & 3 #/ SX GR-3. MIXED LEAD CEMENT @ 11.0 PPG W/YIELD OF 3.82 CF/SX.

TAILED IN W/200 SX (40.9 BBLS) OF PREMIUM CEMENT W/2% CACL2 & 1/4 #/ SX FLOCELE. MIXED TAIL CEMENT TO 15.8 PPG W/YIELD OF 1.15 CF/SX. DISPLACED CEMENT W/182.8 BBLS FRESH WATER. BUMPED PLUG W/1200# @ 1:15 PM, 1/7/2008. CHECKED FLOAT, FLOAT HELD. SHUT IN CASING VALVE. BROKE CIRCULATION 50 BBLS INTO LEAD CEMENT. CIRCULATED 8 BBLS LEAD CEMENT TO PIT. CEMENT FELL BACK AT SURFACE WHEN PLUG BUMPED.

TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 125 SX (25.6 BBLS) OF PREMIUM CEMENT W/2% CACL2 & 1/4 #/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & CIRCULATED APPROXIMATELY 5 BBLS LEAD CEMENT TO PIT. HOLE FELL BACK WHEN PUMPING STOPPED. WOC 1 HR.

TOP JOB # 2: MIXED & PUMPED 80 SX (16.3 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO PRO PETRO CEMENTERS.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

MIRU GLENN'S WIRELINE SERVICE. RAN IN HOLE W/STRAIGHT HOLE SURVEY. TAGGED CEMENT @ 2294' GL. PICKED UP TO 2274' & TOOK SURVEY. 1 DEGREE.

DALL COOK NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 1/7/2008 @ 6:00 AM.

02-16-2008		Reported By		PETE COMEAU							
Daily Costs: Drilling		\$27,449		Completion		\$433		Daily Total		\$27,882	
Cum Costs: Drilling		\$275,462		Completion		\$433		Well Total		\$275,895	
MD	2,426	TVD	2,426	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: MIRURT											
Start	End	Hrs	Activity Description								
06:00	18:00	12.0	MIRU. MOVE RIG 100%. 35% RIGGED UP. LOST 2 1/2 HRS DUE TO CRANE BREAK DOWN. DERRIK PINNED @ 18:00 HRS.								
18:00	06:00	12.0	WAIT ON DAYLIGHT.								
			3 CREWS WORKED 12 HRS								
			NO ACCIDENTS OR INCIDENTS REPORTED								
			SAFETY MEETING WITH ALL CREWS & WESTROC REGARDING RIG MOVE AND FORKLIFT SAFETY, 100% TIE OFF.								
			INTEND TEST BOPS SATURDAY EVENING @ 18:00 HRS								
			CALLED & INFORMED CLIFF JOHNSON (BLM) REGARDING BOP TEST								

02-17-2008		Reported By		PETE COMEAU							
Daily Costs: Drilling		\$46,359		Completion		\$0		Daily Total		\$46,359	
Cum Costs: Drilling		\$321,821		Completion		\$433		Well Total		\$322,254	
MD	2,426	TVD	2,426	Progress	0	Days	0	MW	8.5	Visc	28.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: DRILL OUT SURFACE CASING FLOATS											
Start	End	Hrs	Activity Description								
06:00	15:00	9.0	SAFETY MEETING. RIG UP COMPLETE.								
15:00	18:00	3.0	NU & FUNCTION TEST BOP. DAY RATE START AT 15:00 HRS, 1/16/08.								
18:00	22:00	4.0	TEST BOPS AS FOLLOWS WITH B&C QUICK TEST. TESTER JOHN SIDWELL: TEST UPPER & LOWER KELLY VALVE, INSIDE BOP& SAFETY VALVE TO 250 PSI LIW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST PIPE RAMS & INSIDE VALVES TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST PIPE RAMS & OUTSIDE BOP VALVES TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST ANNULAR PREVENTER TO TO 250 PSI LOW FOR 5 MINUTES & 2500 PSI HIGH FOR 10 MINUTES. TEST BLIND RAMS, KILL LINE, CHOKE LINE & MANIFOLS TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST BLIND RAMS, KILL LINE, CHOKE LINE, & OUTSIDE MANIFOLD VALVES TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TESTED SURFACE CASING TO 1500 PSI FOR 30 MINUTES. TESTED SUPERCHOKE TO 1000 PSI FOR 10 MINUTES.								
22:00	22:30	0.5	SET WEAR BUSHING, SAFETY MEETING WITH CALIBER.								
22:30	03:00	4.5	PU BHA & DRILL PIPE. TAG CEMENT @ 2330'.								
03:00	03:30	0.5	RIG DOWN CALIBER								
03:30	04:00	0.5	INSTALL ROTATING RUBBER & DRIVE BUSHINGS								

04:00 06:00 2.0 DRILL CEMENT/FLOAT EQUIP.

MUD LOGGER NOTHING TO REPORT
 MUD LOGGER CHARLES DAVIS ON LOCATION 1 DAY
 FUEL 9600, USED 1600
 ONE CREW FULL & 1 CREW SHORT HANDED 1 FLOOR MAN
 NO ACCIDENTS OR INCIDENTS REPORTED
 BOILER RAN 20 HRS
 SAFETY MEETINGS. #1 = RIGGING UP, #2 = PICK UP DRILL STRING
 WEATHER + 10 DEGREES

02-18-2008 Reported By PETE COMEAU

Daily Costs: Drilling	\$35,822	Completion	\$0	Daily Total	\$35,822
Cum Costs: Drilling	\$357,643	Completion	\$433	Well Total	\$358,076
MD	3,840	TVD	3,840	Progress	1,414
Days	1	MW	8.7	Visc	28.0

Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: DRILLING @ 3840'

Start	End	Hrs	Activity Description
06:00	07:30	1.5	DRILL CEMENT/FLOAT EQUIP, CLEAN OUT TO 2452'. DRILL 10' NEW HOLE
07:30	08:00	0.5	CIRCULATE HOLE CLEAN, SPOT HI-VIS PILL. RUN F.I.T. EMW = 11.2
08:00	08:30	0.5	SURVEY, MIS-RUN
08:30	09:00	0.5	DRILL 7.875" HOLE FROM 2462 TO 2504. 42' @ 84 FPH. WOB 14, ROTARY 53 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM. 438 GPM @ 1200 PSI. MUD WT 8.5 & VIS 29
09:00	09:30	0.5	CIRCULATE CLEAN & SURVEY
09:30	12:00	2.5	DRILL 7.875" HOLE FROM 2504 TO 2630. 126' @ 50 FPH. WOB 16, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLW @ 125 SPM, 438 GPM @ 1250 PSI. MUD WT 8.5 & VIS 32.
12:00	12:30	0.5	SERVICE RIG, FUNCTION CROWN O MATIC, FUNCTION PIPE RAMS & SUPER CHOKE
12:30	20:00	7.5	DRILL 2630 TO 3224, 594' @ 80 FPH. WOB 18, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM. 438 GPM @ 1375 PSI. MUD WT 9.2 & VIS 31.
20:00	20:30	0.5	SURVEY.
20:30	06:00	9.5	DRILL 3224 TO 3840. 616' @ 64 FPH WOB 18, ROYARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1475 PSI. MUD WT. 9.3 & VIS 31

BGG GAS = 174/365, CONN GAS = 428/5873, HI GAS = 8464 @ 3223

LITHOLOGY: SH = 75%, SS = 20%, LS = 5%.

SHOWS: (2525 - 2535) (2920 - 2940) (2986 - 3087) (3120 - 3125) (3171 - 3370) (3420 - 3493)

MUD LOGGER CHARLES DAVIS ON LOCATION 2 DAYS

DAY CREW HELD BOP DRILL, 1:15. MORNING CREW HELD BOP DRILL, 1:25

FUEL 7500, USED 2100

SHORT HANDED 1 FLOOR MAN, NO ACCIDENTS OR INCIDENTS REPORTED

SAFETY MEETINGS: #1 = WIRE LINE SURVEY, #2 = CONNECTIONS

BOILER RAN 24 HRS.

06:00 18.0 SPUD 7 7/8" HOLE @ 08:30 HRS, 2/17/08.

02-19-2008 Reported By PETE COMEAU

Daily Costs: Drilling	\$33,222	Completion	\$0	Daily Total	\$33,222
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Cum Costs: Drilling \$390,865 **Completion** \$433 **Well Total** \$391,298
MD 5,293 **TVD** 5,293 **Progress** 1,453 **Days** 2 **MW** 9.4 **Visc** 34.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**
Activity at Report Time: DRILLING @ 5293'

Start	End	Hrs	Activity Description
06:00	08:30	2.5	DRILL 7.875" HOLE FROM 3840 TO 4071. 231' @ 92 FPH. WOB 18, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1670 PSI. MUD WT 9.3 & VIS 34.
08:30	09:00	0.5	CIRCULATE HOLE CLEAN FOR SURVEY
09:00	09:30	0.5	SURVEY
09:30	13:30	4.0	DRILL 7.875" HOLE FROM 4071 TO 4351. 180' @ 45 FPH. WOB 18, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1700 PSI. MUD WT 9.4 & VIS 34
13:30	14:00	0.5	SERVICE RIG, FUNCTION CROWN O MATIC, FUNCTION FLOOR VALVES.
14:00	21:00	7.0	DRILL 7.875: HOLE FROM 4351 TO 4887. 536' @ 76 FPH. WOB 18, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1600 PSI. MUD WT 9.5 & VIS 32
21:00	21:30	0.5	CIRCULATE HOLE CLEAN FOR SURVEY
21:30	22:00	0.5	SURVEY.
22:00	06:00	8.0	DRILL 7.875" HOLE FROM 4887 TO 5293 406' @ 50 FPH.. WOB 18, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1750 PSI. MUD WT 9.7 & VIS 34. BGG GAS = 94, CONN GAS = 161, HIGH GAS = 1502 @ 4183 LITHOLOGY: SS = 60%, RED SH = 30%, SH = 10% FORMATION TOPS: WASATCH @ 4848 MUD LOGGER, CHARLES DAVIS ON LOCATION 3 DAYS FUEL 5500, USED 2000 CREW SHORTHANDED 1 FLOORMAN, NO ACCIDENTS OR INCIDENTS REPORTED SAFETY MEETINGS: #1 = WORKING IN POOR VISIBILITY, #2 = PINCH POINTS BOILER RAN 24 HRS WEATHER: ~2 DEGREES, FOG

02-20-2008 **Reported By** PETE COMEAU/DAVID GREESON

Daily Costs: Drilling \$50,770 **Completion** \$0 **Daily Total** \$50,770
Cum Costs: Drilling \$441,635 **Completion** \$433 **Well Total** \$442,068
MD 6,317 **TVD** 6,317 **Progress** 1,024 **Days** 3 **MW** 9.8 **Visc** 41.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: TRIP FOR HOLE IN DP

Start	End	Hrs	Activity Description
06:00	12:00	6.0	DRILL FROM 5293 TO 5672. 379' @ 63 FPH. WOB 18, ROTARY 53 & MOTOR 70. #1 PUMP @ 125 SPM. 438 GPM @ 1800 PSI. MUD WT 9.9 & VIS 39.
12:00	12:30	0.5	SERVICE RIG. FUNCTION CROWN O MATIC & ANNULAR
12:30	04:00	15.5	DRILL FROM 5672 TO 6317. 645' @ 41 FPH. WOB 18, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1700 PSI. MUD WT 10.1 & VIS 34.
04:00	06:00	2.0	PUMP SOFT LINE, TRIP OUT FOR SUSPECTED WASH OUT. PUMP PRESSURE INCREASED 200 PSI @ 650 STROKES. INDICATING A DEPTH OF 3802 FOR POSSIBLE HOLE IN PIPE. BGG GAS = 137, CONN GAS = 194, HIGH GAS = 2497 @ 6166 LITHOLOGY: SH = 50%, SS = 30%, RED SH = 20% FORMATION TOPS. CHAPITA WELLS @ 5438, BUCK CANYON @ 6114 MUD LOGGER CHARLES DAVIS 3 DAYS

MUD LOGGER JOE TISSAW ON LOCATION 1 DAY
 FUEL 3300, USED 2200
 CREW SHORT HANDED 1 FLOORMAN
 NO ACCIDENTS OR INCIDENTS REPORTED.
 BOILER RAN 24 HRS
 WEATHER 0 DEGREES

02-21-2008 **Reported By** PETE COMEAU/DAVID GREESON

Daily Costs: Drilling	\$65,333	Completion	\$0	Daily Total	\$65,333
Cum Costs: Drilling	\$506,969	Completion	\$433	Well Total	\$507,402

MD 6,758 **TVD** 6,758 **Progress** 441 **Days** 4 **MW** 10.3 **Visc** 35.0

Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: DRILLING @ 6758'

Start	End	Hrs	Activity Description
06:00	11:00	5.0	TRIP OUT OF HOLE FOR WASHOUT. FOUND 2 WASHED 4.5" DP @ 2400'. REPLACED WASHED DRILL PIPE, L. D.2 REAMERS, C/O 1 MUD MOTOR AND BIT BEFORE TIH.
11:00	13:30	2.5	TIH. FILL PIPE @ SHOE AND FIX LEAKING FLOWLINE.
13:30	14:00	0.5	WASH FROM 6260' TO 6317'. NO HOLE FILL, NO DRAG.
14:00	15:00	1.0	DRILL 7.875" HOLE FROM 6317' TO 6347'. (30') 30 FPH. WOB 18-20, ROTARY 50 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1700 PSI. MUD WT 10.3 & VIS 35.
15:00	15:30	0.5	SERVICE RIG
15:30	06:00	14.5	DRILL 7.875" HOLE FROM 6347' TO 6758'. (411') 29 FPH. WOB 18-24, ROTARY 50 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1800 PSI. MUD WT 10.4 & VIS 35. BGG GAS = 86, CONN GAS = 440, HIGH GAS = 817 @ 6457' LITHOLOGY: SH = 40%, SS = 50% , RED SH = 10% FORMATION TOPS. CHAPITA WELLS @ 5438, BUCK CANYON @ 6114', NORTH HORN 6739' MUD LOGGER CHARLES DAVIS 3 DAYS MUD LOGGER JOE TISSAW ON LOCATION 2 DAY RECEIVED 8000 GL. FUEL ON HAND 9100, USED 2200 GL. CREW SHORT HANDED 1 FLOORMAN SAFETY MEETINGS: TRIPPING WET/ICY CONDITIONS NO ACCIDENTS OR INCIDENTS REPORTED. BOILER RAN 24 HRS WEATHER 18 DEGREES

02-22-2008 **Reported By** DAVID GREESON

Daily Costs: Drilling	\$69,853	Completion	\$3,446	Daily Total	\$73,299
Cum Costs: Drilling	\$576,822	Completion	\$3,879	Well Total	\$580,701

MD 7,270 **TVD** 7,270 **Progress** 512 **Days** 5 **MW** 10.6 **Visc** 36.0

Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: DRLG @ 7270 / RIG REPAIR

Start	End	Hrs	Activity Description
06:00	12:00	6.0	DRILL 7.875" HOLE FROM 6758' TO 6914'. (156') 26 FPH. WOB 18-24, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1800 PSI. MUD WT 10.5 & VIS 35.
12:00	12:30	0.5	SERVICE RIG, GREASE TRAVELLING BLOCKS. CHECK C.O.M.

12:30 04:00 15.5 DRILL 7.875" HOLE FROM 6914' TO 7270'. (356') 23 FPH. WOB 18-24, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1800 PSI. MUD WT 10.7 & VIS 36.

04:00 06:00 2.0 SWIVEL PACKING FAILED. TOO H 2 STND. HOOKED UP CIRC. SWEDGE (70 STK.)/ROTATING WHILE CHANGING SWIVEL PACKING.

BGG GAS = 83, CONN GAS = 200, HIGH GAS = 1809 @ 7229'

LITHOLOGY: SH = 60%, SS = 30%, RED SH = 10%, SILTSTONE TRACE.

FORMATION TOPS. CHAPITA WELLS @ 5438,
BUCK CANYON @ 6114', NORTH HORN 6739',
PRICE RIVER 7368'

MUD LOGGER CHARLES DAVIS 3 DAYS
MUD LOGGER JOE TISSAW ON LOCATION 3 DAY
CHECK COM

FUEL ON HAND 7000, USED 2100 GL.

NIGHT CREW SHORT HANDED 1 FLOORMAN (DAY CREW FULL)

SAFETY MEETINGS: ROTARY TORQUE/MUD BUCKET
NO ACCIDENTS OR INCIDENTS REPORTED.

BOILER RAN 24 HRS
WEATHER 21 DEGREES

02-23-2008 Reported By DAVID GREESON

Daily Costs: Drilling	\$30,438	Completion	\$0	Daily Total	\$30,438
Cum Costs: Drilling	\$607,260	Completion	\$3,879	Well Total	\$611,140

MD	7,794	TVD	7,794	Progress	524	Days	6	MW	10.7	Visc	37.0
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Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0
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Activity at Report Time: DRILLING @ 7794'

Start	End	Hrs	Activity Description
06:00	08:00	2.0	REPAIR AND XO SWIVEL PACKING.
08:00	08:30	0.5	KELLY UP AND TEST SWIVEL PACKING. TRIP IN HOLE 2 STANDS TO BOTTOM.
08:30	11:30	3.0	DRILL 7.875" HOLE FROM 7270' TO 7387'. (117') 39 FPH. WOB 20-24K, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1800 PSI. MUD WT 10.8 & VIS 36.
11:30	12:00	0.5	SERVICE RIG.
12:00	06:00	18.0	DRILL 7.875" HOLE FROM 7387' TO 7794'. (407') 23 FPH. WOB 20-24K, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1800 PSI. MUD WT 11.0 & VIS 38.

BGG GAS = 213, CONN GAS = 912, HIGH GAS = 6347 @ 7364'

LITHOLOGY: SH = 50%, SS = 40%, SILTSTONE=10%.

FORMATION TOPS: CHAPITA WELLS 5438',
BUCK CANYON 6114', NORTH HORN 6739',
PRICE RIVER 7363'

MUD LOGGER CHARLES DAVIS 3 DAYS

MUD LOGGER JOE TISSAW ON LOCATION 4 DAYS

CHECK COM DRILLING

FUEL ON HAND 5000, USED 2000 GL.

NIGHT CREW SHORT HANDED 1 FLOORMAN (DAY CREW FULL)

SAFETY MEETINGS: POWER WASHING/MOUSE HOLEING DP.

NO ACCIDENTS OR INCIDENTS REPORTED.

BOILER RAN 24 HRS

REPORT TIME WEATHER 25 DEGREES

02-24-2008	Reported By	DAVID GREESON									
Daily Costs: Drilling	\$47,270	Completion	\$0	Daily Total	\$47,270						
Cum Costs: Drilling	\$654,531	Completion	\$3,879	Well Total	\$658,410						
MD	8,232	TVD	8,232	Progress	438	Days	7	MW	11.1	Visc	39.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: DRILLING @ 8232'

Start	End	Hrs	Activity Description
06:00	14:30	8.5	DRILL 7794' TO 7950'. (156') 19 FPH. WOB 20-24K, ROTARY 52 & MOTOR 70. #2 PUMP ON HOLE @ 130 SPM, 415 GPM @ 1700 PSI. MUD WT 11.1 & VIS 39.
14:30	15:00	0.5	SERVICE RIG.
15:00	06:00	15.0	DRILL 7950' TO 8232'. (282') 19 FPH. WOB 20-24K, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1700 PSI. MUD WT 11.1 & VIS 36.

LOSSES @ 8065', 90 BBL. NO CURRENT SEEPAGE.

BGG GAS = 294, CONN GAS = 2551, HIGH GAS = 4652 @ 7946'

LITHOLOGY: SH = 50%, SS = 40%, SILTSTONE=10%.

FORMATION TOPS: CHAPITA WELLS 5438',

BUCK CANYON 6114', NORTH HORN 6739',

PRICE RIVER 7363', MIDDLE PRICE 8225'

MUD LOGGER CHARLES DAVIS 3 DAYS

MUD LOGGER JOE TISSAW ON LOCATION 5 DAYS

CHECK COM DRILLING

RECEIVED 4500, FUEL ON HAND 7900, USED 1600

FULL CREWS.

SAFETY MEETINGS: PUMP REPAIR/HOUSE KEEPING.

REPLACED DISCHARGE MODULAR POD ON PUMP #1

NO ACCIDENTS OR INCIDENTS REPORTED.

BOILER RAN 24 HRS

REPORT TIME WEATHER 27 DEGREES

02-25-2008	Reported By	DAVID GREESON									
Daily Costs: Drilling	\$38,520	Completion	\$0	Daily Total	\$38,520						
Cum Costs: Drilling	\$693,052	Completion	\$3,879	Well Total	\$696,931						
MD	8,703	TVD	8,703	Progress	471	Days	8	MW	11.2	Visc	37.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: DRILLING @ 8703

Start	End	Hrs	Activity Description
06:00	10:30	4.5	DRILL 7.875" HOLE FROM 8232' TO 8340'. (108') 24 FPH. WOB 20-24K, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1700 PSI. MUD WT 11.1 & VIS 37.
10:30	11:00	0.5	SERVICE RIG.
11:00	06:00	19.0	DRILL 7.875" HOLE FROM 8340' TO 8703'. (363') 19 FPH. WOB 20-24K, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1860 PSI. MUD WT 11.2 & VIS 37.

BGG GAS = 1781, CONN GAS = 7621, HIGH GAS = 7837 @ 8647'

LITHOLOGY: SH = 20%, SANDSTONE = 60%, SILTSTONE=10%, CARB SH 10%.

FORMATION TOPS: CHAPITA WELLS 5438',

BUCK CANYON 6114', NORTH HORN 6739',

PRICE RIVER 7363', MIDDLE PRICE 8239'

MUD LOGGER CHARLES DAVIS 3 DAYS

MUD LOGGER JOE TISSAW ON LOCATION 6 DAYS

CHECK COM DRILLING

BOP DRILL ALL TOURS

FUEL ON HAND 6000, USED 1900

FULL CREWS.

RIG REPAIR: XO HOPPER MIXING CENTRIFUGAL.

SAFETY MEETINGS: XO MIXING PUMP/PUMP REPAIR

NO ACCIDENTS OR INCIDENTS REPORTED.

BOILER RAN 24 HRS

REPORT TIME WEATHER 25 DEGREES

02-26-2008		Reported By		DAVID GREESON							
Daily Costs: Drilling		\$32,657		Completion		\$0		Daily Total		\$32,657	
Cum Costs: Drilling		\$725,709		Completion		\$3,879		Well Total		\$729,588	
MD	8,956	TVD	8,956	Progress	253	Days	9	MW	11.3	Visc	38.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: DRILLING @ 8956'											
Start	End	Hrs	Activity Description								
06:00	13:30	7.5	DRILL 7.875" HOLE FROM 8703' TO 8798'. (95') 13 FPH. WOB 20-26K, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1880 PSI. MUD WT 11.2 & VIS 37.								
13:30	14:00	0.5	SERVICE RIG. CHECK COM AND FUNCTION PIPE RAMS.								
14:00	15:30	1.5	DRILL 7.875" HOLE FROM 8798' TO 8816. (18') 12 FPH. WOB 20-26K, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1880 PSI. MUD WT 11.2 & VIS 37.								
15:30	16:00	0.5	CIRCULATE. PREPARE TO TOOH FOR BIT.								
16:00	16:30	0.5	PUMP PILL FOR DRY JOB. DROP SURVEY (1.5 DEGREES @ 8816').								
16:30	20:00	3.5	TOOH TO XO BIT AND MUD MOTOR.								
20:00	23:00	3.0	TIH W/ NEW BIT TO 8686'. KELLY UP ON TIGHT SPOT.								
23:00	23:30	0.5	WASH 130' TO BOTTOM. NO FILL, NO DRAG.								
23:30	06:00	6.5	DRILL 7.875" HOLE FROM 8816 TO 8956'. (140') 22 FPH. WOB 18-24K, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1880 PSI. MUD WT 11.3 & VIS 37.								
BGG GAS = 751, CONN GAS = 5688, HIGH GAS = 5493 @ 8866'											
TRIP GAS 8918 @ 8816'											
LITHOLOGY: SANDSTONE = 60% , SILTSTONE=10%, CARB SH 30%.											
FORMATION TOPS: CHAPITA WELLS 5438',											
BUCK CANYON 6114', NORTH HORN 6739',											
PRICE RIVER 7363', MIDDLE PRICE 8239'											
MUD LOGGER CHARLES DAVIS 3 DAYS											
MUD LOGGER JOE TISSAW ON LOCATION 7 DAYS											
CHECK COM DRILLING & TRIPPING											

FUEL ON HAND 4500, USED 1500
 FULL CREWS.
 SAFETY MEETINGS: TRIPPING PIPE/POWER WASHER
 NO ACCIDENTS OR INCIDENTS REPORTED.
 BOILER RAN 24 HRS
 REPORT TIME WEATHER 22 DEGREES

06:00

18.0

02-27-2008 **Reported By** DAVID GREESON

Daily Costs: Drilling \$56,805 **Completion** \$0 **Daily Total** \$56,805

Cum Costs: Drilling \$782,515 **Completion** \$3,879 **Well Total** \$786,394

MD 9,396 **TVD** 9,396 **Progress** 440 **Days** 10 **MW** 11.3 **Visc** 38.0

Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**
Activity at Report Time: DRILLING @ 9396'

Start	End	Hrs	Activity Description
06:00	15:00	9.0	DRILL 7.875" HOLE FROM 8956' TO 9113'. (157') 18 FPH. WOB 18-24K, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1950 PSI. MUD WT 11.3 & VIS 36.
15:00	15:30	0.5	SERVICE RIG
15:30	06:00	14.5	DRILL 7.875" HOLE FROM 9113' TO 9396'. (283') 20 FPH. WOB 20-25K, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 2050 PSI. MUD WT 11.4 & VIS 37. BGG GAS = 834, CONN GAS = 6707, HIGH GAS = 7405 @ 9003' LITHOLOGY: SANDSTONE = 40% , SILTSTONE=20%, CARB SH 40%. FORMATION TOPS: CHAPITA WELLS 5438', BUCK CANYON 6114', NORTH HORN 6739', PRICE RIVER 7363', MIDDLE PRICE 8239', LOWER PRICE 9022' MUD LOGGER CHARLES DAVIS 3 DAYS MUD LOGGER JOE TISSAW ON LOCATION 8 DAYS CHECK COM DRILLING RECEIVED 4000, FUEL ON HAND 7100, USED 1400 FULL CREWS. SAFETY MEETINGS: RIG SERVICE/SLINGING DP. NO ACCIDENTS OR INCIDENTS REPORTED. BOILER RAN 24 HRS REPORT TIME WEATHER 22 DEGREES

02-28-2008 **Reported By** DAVID GREESON

Daily Costs: Drilling \$45,511 **Completion** \$0 **Daily Total** \$45,511

Cum Costs: Drilling \$828,026 **Completion** \$3,879 **Well Total** \$831,906

MD 9,700 **TVD** 9,700 **Progress** 304 **Days** 11 **MW** 11.3 **Visc** 37.0

Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**
Activity at Report Time: LD DP & BHA

Start	End	Hrs	Activity Description
06:00	22:00	16.0	DRILL 7.875" HOLE FROM 9396' TO 9700'. (304') 19 FPH. WOB 25K, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 2050 PSI. MUD WT 11.5 & VIS 37. REACHED 9700' TD. REACHED TD @ 22:00 HRS, 2/27/08.

22:00 23:00 1.0 CIRCULATE BOTTOM'S UP AND PUMP DRY JOB FOR SHORT TRIP.

23:00 01:30 2.5 SHORT TRIP 20 STANDS, CHECK FOR FLOW. NO FLOW, NO TIGHT SPOTS.

01:30 03:00 1.5 CIRCULATE BOTTOMS UP, RIG UP CALIBER CASING LAY DOWN MACHINE. HELD SAFETY MEETING WITH ALL PERSONEL. PUMP DRY JOB.

03:00 06:00 3.0 LD DRILL PIPE AND BHA.

CASING POINT REACHED @ 03:00, 2/28/08.

BGG GAS = 936, CONN GAS = 2559, HIGH GAS = 7405 @ 9003'

SHORT TRIP GAS= 8944 @ 9700'

LITHOLOGY: SANDSTONE = 50% , SILTSTONE=10%, CARB SH 20%, SHALE 20%.

FORMATION TOPS: CHAPITA WELLS 5438',

BUCK CANYON 6114', NORTH HORN 6739', PRICE RIVER 7363',

MIDDLE PRICE 8239', LOWER PRICE 9022', SEGO 9498'

MUD LOGGER CHARLES DAVIS 3 DAYS

MUD LOGGER JOE TISSAW ON LOCATION 9 DAYS

CHECK COM DRILLING, RESET COM TRIPPING.

FUEL ON HAND 5200, USED 1900

FULL CREWS.

SAFETY MEETINGS: PUMP REPAIR/LD DP

NO ACCIDENTS OR INCIDENTS REPORTED.

BOILER RAN 24 HRS

REPORT TIME WEATHER 19 DEGREES

02-29-2008 Reported By DAVID GREESON

Daily Costs: Drilling	\$35,372	Completion	\$157,053	Daily Total	\$192,425
Cum Costs: Drilling	\$863,399	Completion	\$160,932	Well Total	\$1,024,331

MD	9,700	TVD	9,700	Progress	0	Days	12	MW	11.3	Visc	43.0
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Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0
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Activity at Report Time: RDRT/NO COMPLETION

Start	End	Hrs	Activity Description
06:00	10:00	4.0	LD DRILL PIPE AND BHA, BREAK KELLY DOWN , PULL WEAR BUSHING
10:00	11:00	1.0	RU CALIBER CASING CREW AND HOLD SAFETY MEETING WITH ALL CREWS.
11:00	18:00	7.0	RUN 4 1/2" PRODUCTION CASING AS FOLLOWS: RUN 229 JOINTS 4 1/2" 11.6#, LT&C, N-80 CASING WITH MARKER JTS AT 6932' AND 4426'. LAND FLOAT SHOE @ 9698.12', FLOAT COLLAR @ 9654.50', PICK UP JOINT # 230, TAG BOTTOM & LAY BACK DOWN. PICK UP & LAND FLUTED DTO HANGER.
18:00	19:00	1.0	RD CALIBER/ RU SCHLUMBERGER CEMENTING EQUIPMENT. HELD SAFETY MEETING WITH CEMENTERS AND RIG CREWS.
19:00	21:00	2.0	CEMENT CASING AS FOLLOWS: TEST LINES TO 5000 PSI. PUMP 20 BBLS CHEM WASH FOLLOWED BY 20 BBLS WATER, FOLLOWED BY 376 SKS (151 BBLS) 35/65 POZ LEAD SLURRY MIXED @ 12.0 PPG, YIELD 2.26 FT3/SK PLUS ADDITIVES. FOLLOWED BY 1578 SKS (363 BBLS) 50/50 POZ TAIL SLURRY MIXED @ 14.1 PPG, YIELD 1.29 FT3/SK PLUS ADDITIVES, DISPLACED WITH 151 BBLS FRESH WATER. BUMPED PLUG WITH 1000 PSI OVER FINAL CIRCULATING PRESSURE. PLUG HELD.
21:00	22:00	1.0	RIG DOWN SCHLUMBERGER. WAIT 1 HOUR BEFORE REMOVING CEMENTING HEAD.
22:00	23:00	1.0	INSTALL PACKER RING TO FLUTED DTO HEAD, FMC TECH. ONSITE, TEST TO 5000PSI.
23:00	03:00	4.0	NIPPLE DOWN BOP, CLEAN MUD TANKS, RIG DOWN FLOOR.

03:00 06:00 3.0 RIG DOWN ROTARY TOOL. PREPARE FOR TRUCKS IN MORNING. TRUCKS ORDERED @ 07:00 FOR RIG MOVE. RIG MOVE 1.7 MILES 1 WAY.
 *****RIG RELEASE: 03:00 2/29/08. *****
 TRANSFERED 7 JOINTS CASING, 1 MARKER JOINT AND 3800 GL. FUEL TO CWU 1273-15.
 CASING POINT COST \$862,856. RIG RELEASE COST \$1,023,789
 FORMATION TOPS: CHAPITA WELLS 5438',
 BUCK CANYON 6114', NORTH HORN 6739', PRICE RIVER 7363',
 MIDDLE PRICE 8239', LOWER PRICE 9022', SEGO 9498'
 MUD LOGGER CHARLES DAVIS 3 DAYS
 MUD LOGGER JOE TISSAW ON LOCATION 9 DAYS
 FUEL ON HAND 3800 GL, USED 1400 GL.
 FULL CREWS./SAFETY MEETINGS: RUNNING CASING, CEMENTING.
 NO ACCIDENTS OR INCIDENTS REPORTED.
 BOILER RAN 24 HRS
 REPORT TIME WEATHER 21 DEGREES & FOGGY.

06:00 18.0 RIG RELEASED @ 03:00 HRS, 2/29/08
 CASING POINT COST \$863,399

03-06-2008		Reported By		HAL IVIE	
Daily Costs: Drilling	\$0	Completion	\$10,062	Daily Total	\$10,062
Cum Costs: Drilling	\$863,399	Completion	\$170,994	Well Total	\$1,034,393
MD	9,700	TVD	9,700	Progress	0
		Days	13	MW	0.0
Formation :		PBTD :	9655.0	Perf :	
				PKR Depth :	0.0
Activity at Report Time: RDMOSU, LOG WELL					
Start	End	Hrs	Activity Description		
06:00	18:00	12.0	SICP 0 PSIG. MIRU ROYAL RIG # 1. NUBOP, RU TBG EQUIPMENT. PU & RIH W/ 3-7/8" MILL, 3 DC'S & 296 JTS OF 2-3/8" N-80. (NO FILL) TAGGED PBTD @ 9655'. PUH & LAY DN 50 JTS TBG, EOT @ 8038'. SWI- SDFD.		

03-07-2008		Reported By		HAL IVIE	
Daily Costs: Drilling	\$0	Completion	\$54,163	Daily Total	\$54,163
Cum Costs: Drilling	\$863,399	Completion	\$225,157	Well Total	\$1,088,556
MD	9,700	TVD	9,700	Progress	0
		Days	14	MW	0.0
Formation :		PBTD :	0.0	Perf :	
				PKR Depth :	0.0
Activity at Report Time: RUWL					
Start	End	Hrs	Activity Description		
06:00	12:00	6.0	SICP 0 PSIG. POH, LD TBG. ND BOP. NU TREE. RDMOSU. MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 730'. EST CEMENT TOP @ 1240'. RD SCHLUMBERGER.		

03-08-2008		Reported By		MCCURDY	
Daily Costs: Drilling	\$0	Completion	\$1,653	Daily Total	\$1,653
Cum Costs: Drilling	\$863,399	Completion	\$226,810	Well Total	\$1,090,209
MD	9,700	TVD	9,700	Progress	0
		Days	14	MW	0.0
Formation :		PBTD :	9655.0	Perf :	
				PKR Depth :	0.0

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.

03-13-2008	Reported By	JOE VIGIL
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Daily Costs: Drilling	\$0	Completion	\$25,662	Daily Total	\$25,662
Cum Costs: Drilling	\$863,399	Completion	\$252,472	Well Total	\$1,115,871

MD	9,700	TVD	9,700	Progress	0	Days	15	MW	0.0	Visc	0.0
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Formation : MESAVERDE	PBTD : 9655.0	Perf : 8556' - 9484'	PKR Depth : 0.0
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Activity at Report Time: FRAC MPR/UPR

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RU CUTTERS WL. PERFORATED LPR FROM 9333'-34', 9339'-40', 9383'-84', 9389'-90', 9395'-96', 9404'-05', 9427'-28', 9439'-40', 9464'-65', 9468'-69', 9477'-78' & 9483'-84' @ 3 SPF & 120? PHASING. RDWL. RU HALLIBURTON. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4180 GAL WF16 LINEAR PAD, 6346 GAL WF16 LINEAR W/1# & 1.5# 20/40 SAND, 18601 GAL 16# DELTA 200+ W/56900# 20/40 SAND @ 1-4 PPG. MTP 6823 PSIG. MTR 53 BPM. ATP 5381 PSIG. ATR 39 BPM. ISIP 3268 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 9290'. PERFORATED LPR FROM 9058'-59', 9062'-63', 9085'-86', 9092'-93', 9109'-10', 9145'-46', 9175'-76', 9231'-32', 9236'-37', 9255'-56', 9261'-62' & 9269'-70' @ 3 SPF & 120? PHASING. RU HALLIBURTON. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4768 GAL WF16 LINEAR PAD, 10287 GAL WF16 LINEAR W/1# & 1.5# 20/40 SAND, 32762 GAL 16# DELTA 200+ W/126900# 20/40 SAND @ 1-5 PPG. MTP 6459 PSIG. MTR 53 BPM. ATP 5132 PSIG. ATR 45 BPM. ISIP 3000 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 9028'. PERFORATED MPR FROM 8854'-55', 8861'-62', 8870'-71', 8897'-98', 8904'-05', 8926'-27', 8935'-36', 8940'-41', 8971'-72' (MISFIRE), 8977'-78', 8998'-99' & 9010'-11' @ 3 SPF & 120? PHASING. RDWL. RU HALLIBURTON. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4083 GAL WF16 LINEAR PAD, 6234 GAL WF16 LINEAR W/1# & 1.5# 20/40 SAND, 35421 GAL 16# DELTA 200+ W/125700# 20/40 SAND @ 1-4 PPG. MTP 6741 PSIG. MTR 55 BPM. ATP 5318 PSIG. ATR 45 BPM. ISIP 3170 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 8790'. PERFORATED MPR FROM 8556'-57', 8561'-62', 8572'-73', 8636'-37', 8645'-46', 8654'-55', 8687'-88', 8692'-93', 8703'-04', 8721'-22', 8756'-57' & 8773'-74' @ 3 SPF & 120? PHASING. RU HALLIBURTON. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5174 GAL WF16 LINEAR PAD, 6248 GAL WF16 LINEAR W/1# & 1.5# 20/40 SAND, 43724 GAL 16# DELTA 200+ W/161200# 20/40 SAND @ 1-5 PPG. MTP 6460 PSIG. MTR 53 BPM. ATP 5540 PSIG. ATR 42 BPM. ISIP 3270 PSIG. RD HALLIBURTON. SDFN.

03-14-2008	Reported By	JOE VIGIL
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Daily Costs: Drilling	\$0	Completion	\$387,787	Daily Total	\$387,787
Cum Costs: Drilling	\$863,399	Completion	\$640,259	Well Total	\$1,503,658

MD	9,700	TVD	9,700	Progress	0	Days	16	MW	0.0	Visc	0.0
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Formation : MESAVERDE	PBTD : 9655.0	Perf : 7457' - 9484'	PKR Depth : 0.0
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Activity at Report Time: PREP TO MIRUSU

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RUWL. SET 6K CFP AT 8515'. PERFORATED MPR FROM 8249'-50', 8263'-64', 8295'-96', 8328'-29', 8339'-40', 8365'-66', 8395'-96', 8419'-20', 8457'-58', 8464'-65', 8472'-73' & 8495'-96' @ 3 SPF & 120? PHASING. RDWL. RU HALLIBURTON. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5221 GAL WF16 LINEAR PAD, 8612 GAL WF16 LINEAR W/1# & 1.5# 20/40 SAND, 72960 GAL 16# DELTA 200+ W/270300# 20/40 SAND @ 1-5 PPG. MTP 5652 PSIG. MTR 52 BPM. ATP 3980 PSIG. ATR 50 BPM. ISIP 2740 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 8200'. PERFORATED MPR FROM 7891'-92', 7925'-26', 7944'-46', 7965'-66', 7975'-76', 7983'-84', 8092'-93', 8099'-8100', 8160'-61', 8167'-68' & 8176'-77' @ 3 SPF & 120? PHASING. RDWL. RU HALLIBURTON. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4193 GAL WF16 LINEAR PAD, 6683 GAL WF16 LINEAR W/1# & 1.5# 20/40 SAND, 47567 GAL 16# DELTA 200+ W/173800# 20/40 SAND @ 1-5 PPG. MTP 5638 PSIG. MTR 53 BPM. ATP 3948 PSIG. ATR 49 BPM. ISIP 3948 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 7870'. PERFORATED UPR FROM 7682'-83', 7688'-90', 7723'-25', 7735'-36', 7835'-37', 7842'-43' & 7856'-58' @ 3 SPF & 120? PHASING. RDWL. RU HALLIBURTON. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4203 GAL WF16 LINEAR PAD, 6191 GAL WF16 LINEAR W/1# & 1.5# 20/40 SAND, 25264 GAL 16# DELTA 200+ W/95300# 20/40 SAND @ 1-5 PPG. MTP 5496 PSIG. MTR 51 BPM. ATP 4069 PSIG. ATR 48 BPM. ISIP 2461 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 7650'. PERFORATED UPR FROM 7457'-58', 7469'-70', 7479'-80', 7485'-86', 7496'-97', 7503'-04', 7538'-39', 7586'-88', 7616'-18' & 7629'-30' @ 3 SPF & 120? PHASING. RDWL. RU HALLIBURTON. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4203 GAL WF16 LINEAR PAD, 6189 GAL WF16 LINEAR W/1# & 1.5# 20/40 SAND, 32196 GAL 16# DELTA 200+ W/121800# 20/40 SAND @ 1-5 PPG. MTP 4412 PSIG. MTR 51.6 BPM. ATP 3408 PSIG. ATR 47 BPM. ISIP 2031 PSIG. RD HALLIBURTON.

RUWL. SET 6K CBP AT 7356'. BLED OFF PRESSURE. RDWL. SDFN.

03-20-2008		Reported By		HANSEN							
Daily Costs: Drilling		\$0		Completion		\$81,313		Daily Total		\$81,313	
Cum Costs: Drilling		\$863,399		Completion		\$721,572		Well Total		\$1,584,971	
MD	9,700	TVD	9,700	Progress	0	Days	17	MW	0.0	Visc	0.0
Formation : MESA VERDE			PBTD : 9655.0			Perf : 7457-9484			PKR Depth : 0.0		
Activity at Report Time: CLEAN OUT AFTER FRAC											
Start	End	Hrs	Activity Description								
08:00	16:30	8.5	MIRUSU. ND FRAC TREE. NU BOP. RIH W/3-7/8" BIT & PUMP OFF SUB TO 7305'. SDFN.								

03-21-2008		Reported By		HANSEN							
Daily Costs: Drilling		\$0		Completion		\$11,710		Daily Total		\$11,710	
Cum Costs: Drilling		\$863,399		Completion		\$733,282		Well Total		\$1,596,681	
MD	9,700	TVD	9,700	Progress	0	Days	18	MW	0.0	Visc	0.0
Formation : MESA VERDE			PBTD : 9655.0			Perf : 7457-9484			PKR Depth : 0.0		
Activity at Report Time: FLOW TEST											
Start	End	Hrs	Activity Description								
06:30	06:00	23.5	SITP 0 PSIG. SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 7356', 7650', 7870', 8200', 8515', 8790', 9028' & 9290'. RIH. CLEANED OUT TO 9610'. LANDED TUBING @ 8205' KB. ND BOP. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.								

FLOWED 12 HRS. 16/64" CHOKE. FTP 1450 PSIG. CP 1500 PSIG. 58 BFPH. RECOVERED 629 BLW. 10131 BLWTR.

TUBING DETAIL: LENGTH:

PUMP OFF BIT SUB .91'

1 JT 2-3/8" 4.7# L-80 TBG 32.89'

XN NIPPLE 1.30'

248 JTS 2-3/8" 4.7# L-80 TBG 8153.11'

BELOW KB 17.00'

LANDED @ 8205.21' KB

03-22-2008 **Reported By** HANSEN

Daily Costs: Drilling	\$0	Completion	\$3,845	Daily Total	\$3,845
Cum Costs: Drilling	\$863,399	Completion	\$737,127	Well Total	\$1,600,526

MD	9,700	TVD	9,700	Progress	0	Days	19	MW	0.0	Visc	0.0
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Formation : MESA VERDE	PBTD : 9655.0	Perf : 7457-9484	PKR Depth : 0.0
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Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 16/64" CHOKE. FTP 1800 PSIG. CP 1400 PSIG. 40 BFPH. RECOVERED 957 BLW. 9122 BLWTR.

03-23-2008 **Reported By** HANSEN

Daily Costs: Drilling	\$0	Completion	\$3,445	Daily Total	\$3,445
Cum Costs: Drilling	\$863,399	Completion	\$740,572	Well Total	\$1,603,971

MD	9,700	TVD	9,700	Progress	0	Days	20	MW	0.0	Visc	0.0
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Formation : MESA VERDE	PBTD : 9655.0	Perf : 7457-9484	PKR Depth : 0.0
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Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 16/64" CHOKE. FTP 1750 PSIG. CP 1250 PSIG. 35 BFPH. RECOVERED 830 BLW. 8257 BLWTR.

03-24-2008 **Reported By** HANSEN

Daily Costs: Drilling	\$0	Completion	\$2,545	Daily Total	\$2,545
Cum Costs: Drilling	\$863,399	Completion	\$743,117	Well Total	\$1,606,516

MD	9,700	TVD	9,700	Progress	0	Days	21	MW	0.0	Visc	0.0
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Formation : MESA VERDE	PBTD : 9655.0	Perf : 7457-9484	PKR Depth : 0.0
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Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 1450 PSIG. CP 1200 PSIG. 56 BFPH. RECOVERED 1333BLW. 6894 BLWTR.

03-25-2008 **Reported By** HANSEN

Daily Costs: Drilling	\$0	Completion	\$3,545	Daily Total	\$3,545
Cum Costs: Drilling	\$863,399	Completion	\$746,662	Well Total	\$1,610,061

MD	9,700	TVD	9,700	Progress	0	Days	22	MW	0.0	Visc	0.0
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Formation : MESA VERDE	PBTD : 9655.0	Perf : 7457-9484	PKR Depth : 0.0
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Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 1300 PSIG. CP 1800 PSIG. 40 BFPH. RECOVERED 1086 BLW. 5756 BLWTR.

03-26-2008 **Reported By** HANSEN

Daily Costs: Drilling	\$0	Completion	\$3,545	Daily Total	\$3,545
Cum Costs: Drilling	\$863,399	Completion	\$750,207	Well Total	\$1,613,606

MD	9,700	TVD	9,700	Progress	0	Days	23	MW	0.0	Visc	0.0
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Formation : MESA VERDE	PBTD : 9655.0	Perf : 7457-9484	PKR Depth : 0.0
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Activity at Report Time: INITIAL PRODUCTION-FIRST CONDENSATE SALES

Start	End	Hrs	Activity Description
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06:00 06:00 24.0 INITIAL PRODUCTION. TURNED CONDENSATE TO SALES 03/25/08.

FLOWED 24 HRS. 24/64" CHOKE. FTP 1200 PSIG. CP 2000 PSIG. 36 BFPH. RECOVERED 867 BLW. 4846 BLWTR.

03-27-2008	Reported By	HANSEN									
Daily Costs: Drilling	\$0	Completion	\$4,945	Daily Total	\$4,945						
Cum Costs: Drilling	\$863,399	Completion	\$755,152	Well Total	\$1,618,551						
MD	9,700	TVD	9,700	Progress	0	Days	24	MW	0.0	Visc	0.0
Formation : MESA VERDE		PBTD : 9655.0		Perf : 7457-9484			PKR Depth : 0.0				
Activity at Report Time: WO FACILITIES											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 1050 PSIG. CP 1750 PSIG. 27 BFPH. RECOVERED 624 BLW. 4192 BLWTR. SI. WO FACILITIES.								

FINAL COMPLETION DATE: 3/26/08

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other			5. Lease Serial No. UTU0283A		
b. Type of Completion <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr. Other _____			6. If Indian, Allottee or Tribe Name		
2. Name of Operator EOG RESOURCES, INC. Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com			7. Unit or CA Agreement Name and No. CHAPITA WELLS UNI		
3. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202			8. Lease Name and Well No. CHAPITA WELLS UNIT 989-15		
3a. Phone No. (include area code) Ph: 303-824-5526			9. API Well No. 43-047-36976		
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface SENW 2037FNL 1659FWL 40.03768 N Lat, 109.42959 W Lon At top prod interval reported below SENW 2037FNL 1659FWL 40.03768 N Lat, 109.42959 W Lon At total depth SENW 2037FNL 1659FWL 40.03768 N Lat, 109.42959 W Lon			10. Field and Pool, or Exploratory NATURAL BUTTES/MESAVERDE		
14. Date Spudded 12/27/2007			11. Sec., T., R., M., or Block and Survey or Area Sec 15 T9S R22E Mer SLB		
15. Date T.D. Reached 02/27/2008			12. County or Parish UINTAH		
16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 03/25/2008			13. State UT		
17. Elevations (DF, KB, RT, GL)* 4813 GL					
18. Total Depth: MD TVD 9700			19. Plug Back T.D.: MD TVD 9655		
20. Depth Bridge Plug Set: MD TVD					
21. Type Electric & Other Mechanical Logs Run (Submit copy of each) RST/CBL/CCL/VOL/GR <i>Temp</i>			22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis)		

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J-55	36.0	0	2426		625			
7.875	4.500 N-80	11.6	0	9698		1954			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	8205							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	7457	9484	9333 TO 9484		3	
B)			9058 TO 9270		3	
C)			8854 TO 9011		3	
D)			8556 TO 8774		3	

26. Perforation Record

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
9333 TO 9484	29,292 GALS GELLED WATER & 56,900# 20/40 SAND
9058 TO 9270	47,982 GALS GELLED WATER & 126,900# 20/40 SAND
8854 TO 9011	45,903 GALS GELLED WATER & 125,700# 20/40 SAND
8556 TO 8774	55,311 GALS GELLED WATER & 161,200# 20/40 SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
03/25/2008	04/12/2008	24	→	50.0	738.0	70.0			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
10/64"	2250	2800.0	→	50	738	70		PGW	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
SI			→						

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #59922 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

RECEIVED
APR 29 2008
DIV. OF OIL, GAS & MINING

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

29. Disposition of Gas(Sold, used for fuel, vented, etc.)
SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
MESAVERDE	7457	9484		GREEN RIVER MAHOGANY UTELAND BUTTE WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER MIDDLE PRICE RIVER	1815 2442 4717 4848 5444 6138 7371 8242

32. Additional remarks (include plugging procedure):

Please see the attached sheet for detailed perforation and additional formation marker information.

33. Circle enclosed attachments:

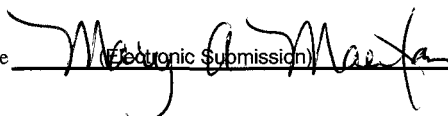
- | | | | |
|-------------------------------------------------------|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.) | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis | 7. Other: | |

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

**Electronic Submission #59922 Verified by the BLM Well Information System.
For EOG RESOURCES, INC., sent to the Vernal**

Name (please print) MARY A. MAESTASTitle REGULATORY ASSISTANT

Signature



(Electronic Submission)

Date 04/28/2008

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ****

Chapita Wells Unit 989-15 - ADDITIONAL REMARKS (CONTINUED):

43. PERFORATION RECORD

8249-8496	3/spf
7891-8177	3/spf
7682-7858	3/spf
7457-7630	3/spf

44. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

8249-8496	86,958 GALS GELLED WATER & 270,300# 20/40 SAND
7891-8177	58,608 GALS GELLED WATER & 173,800# 20/40 SAND
7682-7858	35,823 GALS GELLED WATER & 95,300# 20/40 SAND
7457-7630	42,753 GALS GELLED WATER & 121,800# 20/40 SAND

Perforated the Lower Price River from 9333-34', 9339-40', 9383-84', 9389-90', 9395-96', 9404-05', 9427-28', 9439-40', 9464-65', 9468-69', 9477-78' & 9483-84' w/ 3 spf.

Perforated the Lower Price River from 9058-59', 9062-63', 9085-86', 9092-93', 9109-10', 9145-46', 9175-76', 9231-32', 9236-37', 9255-56', 9261-62' & 9269-70' w/ 3 spf.

Perforated the Middle Price River from 8854-55', 8861-62', 8870-71', 8897-98', 8904-05', 8926-27', 8935-36', 8940-41', 8977-78', 8998-99' & 9010-11' w/ 3 spf.

Perforated the Middle Price River from 8556-57', 8561-62', 8572-73', 8636-37', 8645-46', 8654-55', 8687-88', 8692-93', 8703-04', 8721-22', 8756-57' & 8773-74' w/ 3 spf.

Perforated the Middle Price River from 8249-50', 8263-64', 8295-96', 8328-29', 8339-40', 8365-66', 8395-96', 8419-20', 8457-58', 8464-65', 8472-73' & 8495-96' w/ 3 spf.

Perforated the Middle Price River from 7891-92', 7925-26', 7944-46', 7965-66', 7975-76', 7983-84', 8092-93', 8099-8100', 8160-61', 8167-68' & 8176-77' w/ 3 spf.

Perforated the Upper Price River from 7682-83', 7688-90', 7723-25', 7735-36', 7835-37', 7842-43' & 7856-58' w/ 3 spf.

Perforated the Upper Price River from 7457-58', 7469-70', 7479-80', 7485-86', 7496-97', 7503-04', 7538-39', 7586-88', 7616-18' & 7629-30' w/ 3 spf.

52. FORMATION (LOG) MARKERS

Lower Price River	9014
Sego	9510

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 7

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: CWU 989-15

API number: 4304736976

Well Location: QQ SENW Section 15 Township 9S Range 22E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: PRO PETRO

Address: PO BOX 827

city VERNAL state UT zip 84078

Phone: (435) 789-4729

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
150	165	NO FLOW	NOT KNOWN
1,520	1,530	NO FLOW	NOT KNOWN

Formation tops: 1 _____ 2 _____ 3 _____
 4 _____ 5 _____ 6 _____
 7 _____ 8 _____ 9 _____
 10 _____ 11 _____ 12 _____
(Top to Bottom)

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas

DATE 4/28/2008